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TRANS-EUROPEAN NETWORKS

1996 ANNUAL REPORT

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Council and the European Parliament

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INTRODUCTION

The European Council requested that the Commission submit to it each year in December, a report on the trans-European networks.

Furthermore, article 16 of the TEN Financial assistance regulation requires the Commission to submit an annual report on the activities carried out under this regulation to the European Parliament, the Council, the Economic and Social Committee and to the Committee of the Regions for their appraisal.

To avoid duplication, the Commission has combined these two annual reports into this present document.

1. SUMMARY

The year under review saw major efforts to make substantial progress towards the implementation of the TEN:

- the adoption at last of the guidelines for the energy and transport TEN and the imminent adoption of those for telecommunications;
- on the basis of the figures available for the first ten months of the year, Union funding of TEN projects in 1996 will be substantially higher than in 1995;
- steady if unspectacular advances on many of the TEN projects;
- recognition, in particular in the Confidence Pact for Employment, of the significant role the TEN can play in stimulating employment;
- the setting up of a High-level group of government and private sector representatives to propose recommendations on how public/private partnerships could be facilitated in the transport priority projects (henceforth called "specific projects");
- valuable preparatory work on connecting the TEN to the Union's neighbours, especially in the applicant central and eastern European countries (with a view to enlargement) and the Mediterranean Basin;
- first year of normal implementation of TEN-Telecoms after the adoption of the Euro-ISDN guidelines in November 1995;
- the IDA programme reached its cruising speed;
- in addition, the breakthrough as regards the liberalisation of the electricity market, the resumption of negotiations on the liberalisation of the gas sector, the Commission's various Green and White Papers on internalising the external costs of transport infrastructure, the "Citizens" Network" and the revitalisation of the railways all contributed to create a more favourable context for the TEN.

But important obstacles remain and call for further significant efforts to overcome them and there have been disappointments:

- the Ecofin Council failed to reach agreement in October on the "topping up" of the budgetary resources for the 14 transport specific projects;
- in the telecommunication sector, the basic bottleneck is the lack of applications and services in domains of public interest matching the socio-economic needs of citizens and SMEs; in this area, the uncertainty on short term commercial

viability, due to the innovative character of the application or service and the difficult organisational requirements can discourage private initiative;

- too many national administrations still see problems in purely national terms, rather than viewing them in Union-wide terms and in a network perspective and therefore do not give the TEN the priority they deserve;
- the legal framework at Union level may, in certain cases, not be sufficiently adapted to the specific needs of large scale infrastructure projects of common interest in the transport sector and its application requires early clarification;
- as regards PPP, problems have been identified in particular relating to transport pricing, public procurement and the European Company Statute;
- authorization difficulties are holding back some of the electricity priority projects; in particular, France decided unilaterally in February to abandon the planned route for the Cazaril - Aragon link-up.

There is therefore an urgent need to:

- continue the in-depth analysis of the financial situation of the priority transport projects and facilitate private sector involvement (public-private partnerships), especially for those projects where there are limits to traditional public financing;
 - stress the Union benefit of the TEN transport projects (and to develop appropriate methods to quantify this benefit). On this basis, Member States should be persuaded to adapt their national priorities to European priorities; Union financial instruments should support this objective;
 - where necessary, seek appropriate improvements in the legal framework at Union level or clarification regarding the application of the rules, in order to facilitate the implementation of the priority transport projects, and in particular the development of public-private partnerships for these projects. The Kinnock High-level Group will explore the relevant issues.
 - increase efforts among Member States to co-ordinate, simplify and accelerate procedures for the granting of authorizations while making transparent the environmental and other criteria for approval of projects on their territories; this is particularly necessary in the case of electricity projects, with their higher degree of visibility;
 - to foster the launch of interoperable applications and services which demonstrate the transition towards the information society and demonstrate clear socio-economic benefits for citizens and SMEs.
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2. PROGRESS ACHIEVED ON SPECIFIC PROJECTS

A. ENERGY

As regards the 10 specific projects identified by the Essen European Council, good progress was made in 1996 on the **gas projects**. Most **electricity projects** still encounter problems in obtaining authorizations, particularly for environmental reasons (see also chapter 7-A), while for some of them financing has not yet been settled. Progress was made in particular on the following projects with the involvement of the EIB:

- The construction of the Algeria/Morocco/Iberian Peninsula main gas pipeline is completed.
- The main pipeline for the Greek natural gas project has been built and the financing of the remaining works for the high pressure gas transmission network has been secured thanks to an EIB loan.
- As regards the Russia-Belarus-Poland-EU gas pipeline, the connection of Eastern Germany with Western Poland is now complete and work has commenced on other sections in Germany and in Poland.
- The Northern Portugal-Spain electricity connection is now partly operational though the project is not yet completed.

Progress has also been achieved on an additional number of non-priority energy projects included in the Guidelines as adopted by the Council and the European Parliament, together with other projects proposed by the Commission for inclusion in those Guidelines (see Annex I for the state of advancement of these projects).

B. TELECOMMUNICATIONS

The TEN-Telecoms action in 1996 was based on the **Euro-ISDN** guidelines already in force. With the adoption of the new set of guidelines in December or in early 1997, the Commission's action will be able to expand to its full extent in 1997.

This year, a number of validation and demonstration projects were selected following the call for proposals published on 13 April 1996; they involve 63 partners in 14 Member States. They address a number of areas where there are clear socio-economic interests to use advanced telecommunications applications and services: network of city information highways, tele-medicine, distance education and training, access network to cultural heritage generic services, telework and electronic commerce for SMEs. A detailed list of the projects is to be found in Annex VI.

The results of the call have shown that promoters encounter difficulties in organising their partnerships and their business plans for trans-European projects of this kind. Financial institutions also have problems in providing funds for the implementation of projects, where the immaterial part is so important.

After its formal adoption by the Council in November 1995¹, the IDA (Interchange of Data between Administrations) programme reached its cruising speed in 1996. The IDA work programme, after having received unanimous support from the Member States, was adopted by the Commission on 4 July 1996². Among the actions launched are:

- Pilot and operational networks for the exchange of data between administrations in key fields such as social security, employment services, customs and indirect taxation, agriculture, fisheries, public procurement, statistics, commercial policy, competition policy, support to a number of European Agencies and the Union decision-making process.
- Implementation of e-mail communication facilities for the European Institutions, and the necessary connections with a number of committees.
- A number of horizontal measures addressing issues common to all networks and fostering the implementation of common, re-usable solutions, in order to optimise interoperability, streamline network development and ensure value for money.

A detailed list of these various projects is to be found in Annex VII

The "IDA '96 Conference" in Rome on 20-21 June 1996 served to disseminate up-to-date results and examine the further development of trans-European telematic networks for public administrations. The debate highlighted the strategic role that these networks can play as a catalyst of industrial competitiveness in the Information Society.

C. TRANSPORT

Steady if unspectacular progress was made in 1996 on the implementation of the 14 specific projects agreed at the Essen European Council in December 1994. Details are to be found in Annex III. Mention should be made here nevertheless of some of the more important and symbolic advances:

- A new company was set up to plan the Austrian part (Lower Inn Valley section) of the Brenner axis between München and Verona;
- work has started on the construction of the new HST line between Leipzig and Nürnberg;
- the UK authorities awarded the operating concession for the HST rail link between London and the Channel to the London & Continental railways consortium;
- The "déclaration d'utilité publique" was granted to the French part of the HST East;

¹ Council decision 95/468/EC of 6.11.95, OJ L 269 of 11.11.95, p. 23

² SEC(96)1251/4

- An intergovernmental commission was set up to study the legal structure of the future entity responsible for the implementation of the Lyon-Torino project.
- For the Torino-Milano and Milano-Venezia sections, concessions have been granted to the Italian High-Speed Rail company TAV.
- Two concessions have been granted for sub-projects of the Greek motorway PATHE: the Rio-Antirio fixed link and the Athens bypass.
- Work on the Danish access routes to the Öresund Fixed Link has been progressing well and is expected to be completed next year.
- The Cork-Dublin-Belfast-Larne-Stranraer railway link will be completed in 1996 as far as the part in the Irish Republic is concerned; the sections in the UK are expected to be completed in 1997.

At the same time, progress has been made on some other projects of common interest identified in the guidelines, notably: the Semmering base tunnel project in Austria, the Berlin-Hannover HST link in Germany, the Milano-Bologna-Firenze-Roma-Napoli HST link in Italy as well as a number of ports projects and projects in the telematics sector.

3. TEN-RELATED LEGISLATION

A. GUIDELINES AND RELATED LEGISLATION

The year under review saw the long-awaited adoption by the EP and the Council of the **guidelines** for the energy and transport networks on, respectively, 5 June (the Council had already adopted the decision on the accompanying measures for the energy sector on 28 March)³ and 23 July⁴. The telecommunications guidelines are expected to be adopted in December 1996 or early 1997. This represents a major step forward.

The Council also adopted the directive on HST **interoperability**⁵ on 23 July.

Following the mandate from the Essen European Council concerning **environment** networks and the definition in 1995 of criteria for "Joint Environmental Projects" (JEPs), the Environment Policy Review Group, consisting of Directors-General from the Member states's environment ministries, at its meeting in September 1996, decided that each member would by 15 November 1996 indicate whether further exploring the potential of the project examples there was an interest in further defining pre-feasibility terms of reference and future steps. The responses received from the Member States up to 15 November indicate that there is no interest in further pursuing Joint environmental projects within the criteria set for the water and waste sectors.

On 24 July the Commission put forward a proposal⁶ to modify the original list of 43 **energy projects of common interest** in the guidelines by adding a further 31 projects. This modification was necessary to take account of the enlargement of the Union to Austria, Finland and Sweden, to reflect the rapid evolution of the energy situation in Europe since the Commission first made its proposals in 1994 and to honour commitments made during the negotiation of the initial decision. The European Parliament approved this proposal without amendments (at its first reading, on 12 November 1996).

Although not strictly related to the networks as such, mention is made here nevertheless of the major breakthrough in June 1996 on the **liberalisation of the electricity market**, when an extraordinary Energy Council reached political agreement on a common position on the draft Electricity Directive which was then formalized by the Council in July.

³ Decision no. 1254/96/EC; OJ L 161 of 29 June 1996

⁴ Decision no. 1692/96/EC; OJ L 228 of 9 September 1996

⁵ Directive 96/48/EC; OJ L235 of 17 September 1996

⁶ COM (96) 390

Encouraged by this success the Council resumed, under the Irish Presidency, the negotiation of the Commission's proposals for implementing the internal market in the **gas sector**. In parallel, the Presidency and the Commission had an extensive round of consultations with all parties interested in gas market liberalization. The Treaty rules including the competition rules and procedures, are naturally applicable to the energy sector. This means in particular that TEN should not lead to a reinforcement of any dominant position of undertakings which control them.

Following the political agreement among Member States to liberalise all **telecommunications** services and infrastructure by 1st January 1998, with a transition period for certain Member States, the Commission adopted in February 1996 a Directive amending the 90/388/EEC Services Directive. It also specified that restrictions on use of alternative infrastructure for services already liberalised should be lifted by 1 July 1996.

B. TEN GUIDELINES COMMITTEES

Following the adoption of the various guidelines, three new committees have/will come into existence:

- a committee (type III A) for the energy TEN; it met once and gave a favourable opinion on the Commission's proposals to specify the list of projects of common interest;
- an advisory committee for the transport TEN for the exchange of information on plans and programmes; it held its first meeting on 18 November and discussed its function and structure and general questions of implementing the guidelines.
- a committee (type IIIA) is expected to be set up for the telecommunications TEN; its initial meeting will take place early in 1997.

These committees are of course quite distinct from the TEN financial assistance committee in its various forms (set up under Council Regulation 2236/95 to assist the Commission in granting financial aid for TEN projects of common interest - see chapter 4A below) and should not be confused with it.

C. EDICOM AND IDA LEGAL BASIS

The **Edicom** programme is an inter-administration telematic network for statistics in relation to the trading of goods between Member states. On 26 March the Court of Justice, acting on a complaint lodged by the EP, with the backing of the Commission, ruled that the programme should have been based on article 129 D of Title XII of the Treaty and not on article 235. The Commission promptly presented a modified proposal based on article 129 D, renewing the programme for the period 1996-2000.

The European Parliament, supported by the Commission, has also brought a case before the Court of Justice for the repeal of the Council decision adopting the **IDA** programme, arguing that the legal basis for this decision should have been art. 129D

of the EC Treaty (concerning trans-European networks). A judgement is not expected before 1997.

Table 1: EU FINANCING OF THE TEN (million ECU)

Sector	Type of assistance	Instrument	1993-1994	1995	1996 to date	TOTAL to date
TRANSPORT	Loans	EIB ^{1 2}	4 028	3 310	2 229	9 567
	Guarantees	EIF ^{1 2}	75.9	85.2	303	461.40
	Grants	ERDF ^{1 3}	884.0	115.0	2 639	3 638
		Cohesion Fund	1887.5	1 107.6	1088	4 083.1
	Grants, interest, rate subsidies, loan guarantees, co-financing of studies	TEN budget line <i>(of which the 14 specific projects)</i>	385 180	240 181.05	280 211.23	905 572.28
ENERGY	Loans	EIB ^{1 2}	1 077	745	1 067	2 889
	Guarantees	EIF ^{1 2}	207.7	11.90	240	459.6
	Grants	ERDF ^{1 3}	675.7	87.8	1 265	2 028.5
	Co-financing of studies	TEN budget line	0	12	[9+7]	[21+7]
TELECOMMUNICATIONS	Loans	EIB ^{1 2}	3 787.8	506.6	1 063	5 357.4
	Guarantees	EIF ^{1 2}	156.1	19.40	9	184.5
	Grants	ERDF ^{1 3}	294.7	0	173	467.7
	Co-financing of studies	TEN budget line	18	22	18	58

1 TEN and TEN-related projects
 2 Signed projects
 3 Usually includes appropriations committed, for the 1996-99 period.

4. FINANCING THE TEN: ACTIVITIES OF THE UNION'S FINANCIAL INSTRUMENTS

Table 1 on the preceding page gives an overall view of Union financial support for TEN and TEN related projects. Since the figures for 1996 refer in some cases to only the first ten or eleven months of the year it is not possible to compare them exactly with those for 1995; it is clear however that there has been a significant increase of funding in most if not all sectors.

This table, and those which follow, deal only with Union funding. It must be remembered, however, that the Member States and the private sector also contribute to the financing of the TEN, in many cases investing much more than the Union. In future reports an effort will be made to include such figures when available.

A. TEN FINANCIAL ASSISTANCE REGULATION

The TEN financial assistance committee (TENFAC), set up under Council Regulation 2236/95⁴ came into existence formally in September 1995 and held its first meeting on 10 October of the same year.

It discussed **energy** matters at two meetings in 1995 and gave a favourable opinion on 24 feasibility and other studies to which the Commission proposed to grant aid totalling ECU 12.2 million. These studies concerned 12 projects of common interest from the Guidelines list, of which three were Essen priority projects (the France-Spain and the Spain-Portugal electricity interconnections and the Greek natural gas project).

In 1996 the Committee met once to discuss energy questions and approved 36 feasibility and other studies for which the Commission is proposing grant aid totalling ECU 16 million. Further details are to be found in Annex IV. These studies concern 8 projects from the guidelines list, of which two are Essen priority projects (the France-Spain electricity interconnection and the Greek natural gas project), as well as 14 projects from the additional list proposed by the Commission.

TABLE 2: ENERGY

	1995		1996 [Guidelines + additional list]	
	MECU	%	MECU	%
ELECTRICITY	6.5	53%	3.73 + 3.88	46%
GAS	5.7	47%	5.17 + 3.59	54%
TOTAL	12.2	100%	8.90 + 7.47	100%

⁴

OJ L 228 of 23 September 1995

Under the TEN Regulation, financial assistance for energy projects is normally restricted to feasibility studies, and this was the case in 1995 and 1996. However, given that in some cases projects may be delayed and financing problems thus arise, the Commission would like to keep open the possibility of using some of the resources available as other forms of assistance, on the basis of case-by-case justification.

The TENFAC committee discussed telecommunications projects at two of its meetings in 1995 and gave a favourable opinion on 18 ISDN measures for which the Commission proposed financial assistance totalling ECU 11.4 million. This brought to a total of ECU 22.6 million the total financial aid granted by the Commission under the TEN-Telecom budget line in 1995. A list of these measures is to be found in Annex V.

In 1996 the committee devoted one meeting to telecommunications and approved 11 validation and demonstration projects amounting to ECU 18.101 million. These projects, unlike those in the energy or transport sectors, do not relate to bearer physical infrastructure, but to telecommunication applications of public interest and generic services. They are specified through a procedure of open call for proposals, on the basis of criteria, priorities and eligible domains of public interest defined in the relevant legislation.

TABLE 3: TELECOMMUNICATIONS

	1995		1996	
	MECU	%	MECU	%
Health	0.75	6.6	0.51	2.8
Education	2.81	24.7	0.49	2.7
Culture	-	-	2.59	14.3
City information	-	-	5.00	27.6
Transport	1.23	10.8	-	-
Interoperability of generic services	1.76	15.5	3.71	20.6
Electronic commerce	3.62	31.9	2.83	15.7
Tele-working	1.19	10.5	2.94	16.3
TOTAL	11.37	100%	18.10	100%

As regards **transport**, the TEN financial assistance committee held one meeting in 1995 and gave a favourable opinion on 92 projects and studies for which the Commission proposed financial assistance totalling ECU 240 million.

The committee held two meetings in 1996. At its meeting on 8th May it welcomed the Commission's multiannual indicative programme (MIP) as a framework for granting financial assistance from the TEN-Transport budget line for projects of common interest in the period 1996-99. This framework should facilitate the work of the committee in the transport sector in the years ahead. At its meeting on 25 July the Committee gave a favourable opinion on 107 projects and studies for which the Commission proposed financial assistance totalling ECU 280 million. Further details are to be found in Annex VII.

Table 4 gives a break-down of Union financing of transport projects by main sectors. In accordance with the decision of the Cannes European Council, 75% of the money available was given over to the 14 specific projects in 1995 and 1996.

TABLE 4: TRANSPORT (TYPE OF PROJECT)

	1995		1996	
	MECU	%	MECU	%
14 specific projects (including ERTMS)	181.05	75.44	211.23	75.44
Traffic management	45.42	18.92	49.65	17.73
Other	13.53	5.64	19.12	6.83
TOTAL	240	100%	280	100%

Table 5 shows the break-down of the Union's financing of transport projects by the various types of intervention. It should be stressed that the predominance of studies as compared to other types of intervention is perfectly normal. The Union's role is to act as a catalyst by facilitating the launching of projects, hence the emphasis on feasibility and other studies, which reduce the level of risk in their development stage. In the Commission's opinion, the co-financing of feasibility studies is the most efficient way of spending the Union's limited budget. The Union's financial resources are not meant to replace funding at the national level but to help mobilize additional, non-traditional funds, in particular in the context of PPP. The financing of the actual construction works is primarily the responsibility of the promoters, helped, if need be, with interest rebates and guarantee premium subsidies, which explains why only a small percentage of Union resources under Regulation 2236/95 is given over to this type of funding.

TABLE 5: TRANSPORT (TYPE OF INTERVENTION)

	1995		1996	
	MECU	%	MECU	%
Feasibility studies	170.10	70.88	189.59	67.71
Interest rebates	24.41	10.17	72.71	25.97
Loan guarantees	0	0	0	0
Direct grants	45.49	18.95	17.70	6.32
TOTAL	240	100%	280	100%

As Table 6 shows, by far the greater part of Union spending on transport under Regulation 2236/95 goes to rail projects. This reflects the fact that this mode is given high priority at national and Union level and that great efforts are being made to advance these projects which are, in many cases, characterized by their particularly high cost, large scale and cross-border nature. But it also translates the Commission's political commitment to favour transport modes that are as environment-friendly as possible.

TABLE 6: TRANSPORT PROJECTS (MODE)

	1995		1996	
	MECU	%	MECU	%
Rail⁵	165.16	68.82	173.62	62.01
Road	18.81	7.83	35.37	12.63
Inland waterways	0	0	1.50	0.54
Sea / ports	0.52	0.22	3.66	1.30
Air	2.59	1.08	3.77	1.35
Traffic management	52.92	22.05	62.08	22.17
TOTAL	240	100%	280	100%

Includes partially combined transport

B. STRUCTURAL FUNDS

The Union's Regional (ERDF) and Cohesion Funds are by far the main source of Union grants for TEN projects, as table 1 above clearly brings out. The Regional Fund finances TEN and TEN-related projects in Objective 1 areas while the Cohesion Fund finances TEN projects in the four "Cohesion Member States" (Greece, Ireland, Portugal and Spain).

B.1 Regional Fund

In 1996, the following programmes and projects were the main beneficiaries of commitments for funding; details are to be found in Annex VII:

Energy :

- The introduction of natural gas into Portugal and the interconnection of the Portuguese grid to the Spanish networks under INTERREG II;
- The Spanish section of the Algeria-Morocco-EU gas pipelines and extensions to some Andalusian cities;
- The introduction of natural gas into new Spanish regions (Western pipeline project and the Valencia-Orihuela-Cartagena project);
- Upgrading of the existing LNG terminal at Huelva and Cartagena.

Telecommunications:

- Improvement of the telecommunications networks in Greece

Transport:

- PATHE and VIA EGNATIA motorways in Greece;
- Athens - Thessaloniki railway;
- Trunk roads in Italy;
- Trunk roads in Ireland.

B.2. Cohesion Fund

Table 7 below gives the annual commitments made by the Cohesion Fund in favour of TENs transport projects since 1993 in each of the beneficiary Member States. These figures include commitments for projects adopted in the year in question as well as new annual instalments for projects adopted previously.

Table 7: Cohesion Fund financing of TENs projects - total by Member State Commitments 1993-1996(MECUS)

MEMBER STATES	1993	1994	1995	1996 ⁶	1993-199
SPAIN	606.4	498.9	610.2	711.2	2426.7
PORTUGAL	160.8	200.2	240.5	187.5	789
GREECE	105.1	134	159.7	88	486.8
IRELAND	86	96	97.2	101.3	380.5
TOTAL	958.3	929.1	1107.6	1088	4083

Table 8 provides a breakdown of annual commitments by transport sector. This illustrates the continuing predominance of roads in Cohesion Fund financing, reflecting the needs and priorities of the Member States concerned. However, in terms of absolute figures, the financing of other transport modes such as railways and ports is nevertheless important.

Table 8: Cohesion Fund financing of TENs projects - by transport sector

Commitments 1993-1996

Sector	1993		1994		1995		1996 ⁷		Total 1993-1996	
	<i>Mecu</i>	%	<i>Mecu</i>	%	<i>Mecu</i>	%	<i>Mecu</i>	%	<i>Mecu</i>	%
Roads & motorways	672.6	70	619.6	66	832.5	75	837.5	76	2962.2	72
Railways	162.2	16	278.5	29	178.4	16	218.8	20	837.9	20
Ports	16.1	1	31	3	67.4	6	16	1	130.5	3
Airports	91.7	9	0	0	23.7	2	15.7	1	131.1	3
Vessel Traffic Systems	15.6	1	0	0	5.5	1	0	0	21.1	0
Total	958.2	100	929.1	100	1107.5	100	1088	100	4082.8	100

6

Provisional

7

Provisional

A table in Annex VIII gives the latest position regarding assistance from the Cohesion Fund for the five specific projects which directly concern the Cohesion countries, namely : High-speed train south, Greek motorways, Lisbon-Valladolid motorway, Cork-Dublin-Belfast rail link and the Ireland-UK-Benelux road corridor. For a variety of reasons, progress on these projects has been slow this year, with the only additional financial commitments so far being made in favour of the Republic of Ireland section of the Ireland-(UK)-Benelux priority project.

C. EIB AND ECSC LOANS

The EIB has a long experience in the financing of infrastructure of European interest and has always considered the development of the trans-European networks as one of its priorities. Since the previous report, the EIB has substantially extended its commitments and its lending to the TENs for most of them in conjunction with Community budgetary resources, while developing the utilisation of its TEN window on numerous occasions.

Since November 1995, ECU 9 300 million of loans for 41 projects have been approved by the EIB's Board of Directors for **transport projects on the TENs**. It represents an average of about 30% of their total cost. Loans for these projects and previous ones approved totalling ECU 1 800 million have been signed to date, an increase of more than 50% on the situation described in the report to the Madrid European Council in December 1995.

On the 14 specific projects adopted in Essen, the EIB has already granted loans for 9 of them or their initial phase for an amount of ECU 5 500 million (out of ECU 8 000 million committed for financing). This is an increase of 40% on approvals and 32% on loans contracts over last year's activity, due mainly to new loans for the PBKAL HST, the Öresund link and the Nordic triangle. Using its TEN window facility, the EIB has extended maturity for several projects and approved ECU 250 000 of subsidies for preparatory studies concerning some Austrian sections of the Brenner axis.

During the same period, the EIB's Board has approved loans totalling ECU 1 500 million for 8 projects on **gas and electricity TENs**, about 27% of their total cost. To date, ECU 2 200 million have been signed. It represents an increase of 126% on the Madrid report figure.

EIB financing has been approved for seven of the ten priority projects adopted at the Essen Council for ECU 2 200 million since 1993 of which loans contracts totalling ECU 1 600 million have been signed, for projects like the Greek gas pipeline, the Algeria/Morocco/Iberian Peninsula project and the Russia-Poland-EU gas pipeline.

In parallel with its growing involvement in favour of transport and energy TENs projects, the EIB contributes actively to the development of **telecommunication** networks of European interest. Since last year, the EIB's Board has approved ECU 2 300 million of loans for telecommunication network projects and loan contracts amounting to ECU 4 700 million have so far been signed mainly for mobile telephony, telecommunication satellite and optical fibre rail network.

During the year 1996, the Commission has approved 4 ECSC loans for a total of ECU 329 million for the benefit of TEN projects. The most significant loan approvals concern the Öresund and Transgas projects for a total of ECU 293 million. These loans have not yet been disbursed.

D. EIF

As of 31 October 1996 the total EIF portfolio of outstanding signed operations since inception was ECU 1229 million. Of this TEN projects accounted for 90% (transport 38%, energy 37% and telecommunications 15%). In the course of 1996 the EIF signed loan guarantees of ECU 615 million for 10 projects (transport ECU 303 million, energy ECU 240 million and telecommunications ECU 9 million). The Fund has guaranteed financing in the following specific projects: Malpensa Airport, Natural Gas Network in Portugal, Gas Interconnection Portugal-Spain and the Channel Tunnel Rail Link section of the PBKAL HST. The EIF plans to involve itself in the financing of other specific projects adopted at Essen.

Following the decision of its General Meeting in June the EIF will be able to take equity holdings in initiatives linked to TEN projects (See also chapter 5 D). The Fund's activities in this domain will initially be modest.

E. IDA

In 1996 the Union plans to spend ECU 24 million on the horizontal actions, generic services and 25 specific sectoral projects that compose the IDA programme (the TEN financial regulation does not apply to the IDA programme). The table below gives the main items of expenditure; a detailed list of the projects financed is to be found in Annex VI.

Table 11 : IDA spending⁸

<i>SERVICE</i>	<i>TOTAL BUDGET (ECU)</i>
DG I	850 000
DG III	3 710 000
DG IV	400 000
DG V	1 837 000
DG VI	1 290 000
DG XIV	250 000
DG XV	1 100 000
DG XXI	5 555 000
Eurostat	3 050 000
Informatics Directorate	1 015 000
AGENCIES	225 000
Secretariat-General	1 200 000
Generic services all sectors	3 518 000
GRAND TOTAL	24 000 000

F. EVALUATION

In line with the SEM 2000 programme, the Commission is taking steps, in close collaboration with the Member states, who have a major and central role to play, to reinforce the monitoring and evaluation of projects and policies. The TEN financial assistance committee discussed the matter at its meeting on 25 July 1996.

These figures are based upon a budget resulting from the assignment of ECU 6 million to the EDICOM programme and upon the assumption that ECU 7.5 million presently in reserve will be released by the European Parliament. Furthermore, due to the late adoption of the IDA decision a number of measures were carried forward from 1995 to 1996 for a total value of ECU 15.798 million. These measures are NOT included in the above table.

5. FINANCING THE TEN: OTHER ISSUES

A. TRANS-EUROPEAN TRANSPORT BUDGET

Following the conclusions of the Essen (December 1994), Cannes (June 1995) and Madrid (December 1995) European Councils with regard to the financing of the priority transport projects, the Commission tabled, in April 1996, a proposal to revise the financial perspectives with a view of increasing the funds available for the TEN-T by ECU 1000 million. This proposal was based on the identification of additional needs for TEN-T assistance of ECU 1700 million during the period 1997-1999; these additional needs were calculated on the basis of preliminary requests submitted by Member States and resulted from thorough analyses, especially of the specific projects identified by the Essen European Council, carried out by Member States, the Commission and the European Investment Bank during workshops, seminars and bilateral discussions.

On the occasion of the Florence European Council, President Santer presented a revised proposal. Following this, the ECOFIN Council set up an *ad hoc* group of Representatives of the Ministers of Finance, presided by Mr. Gallagher. During three meetings, held in July and September, the "Gallagher group" examined the proposal without, however, reaching agreement about a "top-up". In its final report submitted to the ECOFIN Council, this group recommended, however, that:

- i) projects which are ready should go ahead using the existing resources;
- ii) the Council should confirm the priority nature of the TENs and current planned budgetary provisions for TENs should be respected;
- iii) every effort should be made to remove non-financial delaying factors;
- iv) the question of reallocation could be considered within the relevant normal budgetary procedure for the Budgets of 1998 and 1999.

On 14 October, the ECOFIN Council endorsed the Gallagher report.

B. PUBLIC/PRIVATE PARTNERSHIPS (PPP)

General

In line with the requests of the European Council, the Commission has, throughout 1996, continued to seek ways of facilitating public-private partnerships as a means of financing the TEN; as in previous years, this analysis was done in a "bottom-up" approach by focusing on the specific transport projects.

During the course of 1996, Commission services have been actively involved in informal consultations with a representative group of experts from the private sector in the field of transport construction, with the aim of examining the obstacles to PPPs and finding possible solutions from the construction industry's perspective. However, following the establishment of the High-Level Group on Public-Private Partnership Financing of Trans-European Network Transport Projects ("Kinnock Group": see below), it was agreed by all concerned to continue these discussions within the larger framework of the High-Level Group. The preliminary findings drawn from these consultations, together with the outcome of analysis done previously on various other issues related to PPP, formed the basis for a discussion paper tabled to the Kinnock Group.

In its report on "The Impact and Effectiveness of the Single Market"⁹ the Commission stressed that "overcoming the barriers to PPP should be a priority for the Union in order to make sure that priority investment plans are executed in time". This is potentially important for transport where most of the financing difficulties are encountered.

Regrettably, for the same reasons as explained in the 1995 report to the Madrid European Council¹⁰ (paras. 28-34), progress in some Member States towards PPPs has not been encouraging. It should be noted, however, that several PPP-type transport projects are proceeding, notably in Greece, the UK, Italy, Germany, Austria, Denmark and Sweden.

In the telecommunications sector, the financing of trans-European networks projects is primarily a matter for the private sector and market forces. However public support in the framework of Public Private Partnerships has also a role to play in stimulating the launch of projects whose socio-economic viability is recognised but whose short term commercial profitability is not high enough to mobilise private investment.

Kinnock High-Level Group

At the informal Transport Council in Rome on 12-13 April Commissioner Kinnock suggested that a High-Level Group, comprising personal representatives of the Ministers of Transport and/or Finance and members of the private sector and the EIB, could be set up to find ways of accelerating the implementation of public-private partnerships; especially as regards TEN specific transport projects. This proposal received broad support from the Transport Ministers and was strongly backed by President Santer in the context of his initiative for a Confidence Pact on employment.

The High-Level Group on Public-Private Partnership Financing of Trans-European Network Transport Projects (the "Kinnock Group") held three plenary meetings on 23 September, 11 October and 28 November, establishing five sub-groups: two on the "HST East-European" and the "HST South" projects, and three on more horizontal issues, namely "New Public-Private Partnerships in the Railway Sector", "Legal and

⁹ COM(96) 520 final

¹⁰ CSE (95) 571

Administrative Issues" and "Economic and Financial Issues". The HLG and its sub-groups will examine problems identified at Union level and thoroughly explore possible solutions with regard to the establishment of public-private partnerships. The final report, to be submitted to the European Council in June 1997, is expected to draw conclusions with respect to various issues currently affecting the progress of transport infrastructure projects.

The negative decision with regard to the top-up of the transport TEN budget line is expected to affect the progress of several projects, in particular the large cross-border rail projects. In a number of these cases, additional transport TEN funding would have helped facilitate private-sector involvement (reduction of risk through co-financing of trial bores for expensive tunnels, contributions to settling financing plans, etc.). In the face of this, the Kinnock Group is challenged to seek solutions to advance projects as much as possible, despite being limited in the funds available for the transport TEN. The Group's work should also provide a solid basis for a possible re-consideration of budgetary issues as set out in the recommendations of the Gallagher Group.

Public policy risks consultation

In its report to the Madrid European Council (para.32) the Commission announced that it was examining ways of reducing public policy risks, since these had been identified by the private sector as a particular obstacle to its involvement in PPPs. In the first half of 1996 the Commission services drafted a working paper which identified various options in this respect. The issues are being considered within the framework the Kinnock High-Level Group, with a view to reaching conclusions on the scope for action at Union level.

C. EIF EQUITY PARTICIPATION

On 18 June the EIF General Meeting in Lisbon voted to allow the Funds, as provided in its Statutes, to undertake equity operations, thus allowing the EIF henceforth to invest directly in individual TEN projects. The Commission welcomes this step whilst acknowledging that initially the resources available for this purpose will be limited.

6. EXTERNAL RELATIONS

A. CENTRAL AND EASTERN EUROPEAN COUNTRIES (CEEC)

TINA (Transport Infrastructure Needs Assessment)

Following the decision taken by the Transport ministers at the September 1995 structured dialogue meeting, a working group, made up of senior officials from the 15 Union Member states and the ten applicant central and eastern European countries, was set up to undertake jointly a transport infrastructure needs assessment (TINA) of the enlarged Union based on the transport TEN guidelines for the present Union adopted recently. It held two plenary sessions in May and July, adopted its terms of reference and had a discussion on financing problems. It established three geographically orientated sub-groups which met in October to begin a review of the national transport infrastructure plans of the acceding countries in the light of the guideline requirements. The TINA group will report to the transport TEN Network Committee. The outline plans for an enlarged transport TEN are scheduled for discussion with a wider audience at the end of 1998 .

Helsinki Pan-European Transport Conference

The Commission, the EIB and the Member states together with the ECMT and the UN-ECE have been busy preparing for the June 1997 Third Pan-European Transport Conference at Helsinki, in particular on adjustments to the "Crete" corridors to take into account changes in the political environment since 1994, such as the peace process in former Yugoslavia. In addition, memoranda of understanding on the development of the Via Baltica and of "Crete" Corridors I and III were signed in the course of the year and that on Corridor V has advanced almost to the point of signature.

PHARE

The Commission has continued to support actively through the Phare programme actions aimed at connecting Central European Countries with the Union's TENs. Around ECU 280 million have been earmarked in 1996 for assistance programmes to the transport sector. The bulk of these funds aims at developing the "Crete Corridors". Phare has provided assistance for all the nine Corridors, ranging from pre-investment and feasibility studies to the actual co-financing of physical infrastructure projects, with a special focus on the transit facilitation at border crossings situated on the Corridors.

Electricity link-ups

As regards the development of energy TEN between the Union and its neighbours, a major step forward was taken in December 1995 when the CENTREL electricity grid, involving Poland, Czech Republic, Slovakia and Hungary, was linked up with the UCPTE grid, which covers Western Europe outside of Scandinavia. The extension of the expanded UCPTE grid to the Balkan countries and the establishment of connections and interfaces with the CIS countries are currently being studied; these studies are being funded under the PHARE, TACIS and TEN programmes. In September the Commission set up a task force, within the Black Sea regional energy centre, to draw up a list of priority energy interconnections in the Balkans; this list will cover both electricity and gas. Another important development is the Baltic Ring electricity study, co-financed by the Union and covering all the countries in the Baltic area.

Natural gas link-ups

Of particular importance this year has been the completion of the first section of the Russia-Belarus-Poland-EU gas pipeline and the improvement of the gas transport network in Bulgaria to ensure the transport of Russian gas to the new Greek gas network. An important feasibility study has also been launched on the construction of a new pipeline to deliver Russian gas to Italy via Ukraine-Slovakia-Hungary-Slovenia.

The year under review has also seen a study of the Nordic gas grid and of many other projects, such as Austria-Hungary, Austria-Slovakia and Germany-Czech Republic-Austria-Italy. Further details on all these projects are to be found in Annex I.

Finally, studies of further East-West gas interconnections and of regional projects of interest to central and eastern European countries and/or Union Member states have been or are currently being financed under the PHARE programme, including a study of the Baltic area just completed.

Energy Charter

Following the signature of the Energy Charter Treaty and the Energy Charter Protocol on energy efficiency and related environmental aspects on 17 December 1994, the process of ratification by the European Union is ongoing: Member States (at least a majority of them) are expected to finalise their ratification process by the end of the year. Ratification by at least 30 countries is necessary for the Treaty to enter into force; meanwhile, the Treaty will be applied by most of the contracting parties on a provisional basis.

EU-CEEC Forum on the information society.

Ministers from the central and eastern European countries met with Commissioner Bangemann and with representatives of the industry, research organisations and financial institutions of the Union in Prague in September 1996. The Forum provided a platform for information exchange and discussion on the various aspects of the Information Society including strategy and policy formulation and implementation of

demonstrations and pilot projects. These projects were further discussed on 8 October in the framework of the "structured dialogue" between the EU "Industry" Council and the ministers from the CEEC; four working groups were set up.

B. MEDITERRANEAN BASIN COUNTRIES

Electricity link-ups

The Mediterranean Basin countries are not connected to the UCPTTE network, but a project to link up Spain and Morocco is under way and work has begun on the first stage of a connection between Greece and Turkey.

Natural gas link-ups

This year saw the [near] completion of the gas pipeline which will transport Algerian natural gas, via Morocco, to Spain and Portugal initially and to other Union countries at a later stage. This project was one of the specific projects identified by the Essen European Council. Work is also well-advanced on a second pipeline between Algeria and Italy via Tunisia.

Euro-Mediterranean forum on energy

As a follow up to the Euro-Mediterranean Conference in Barcelona in December 1995, the Italian Presidency organised a Euro-Mediterranean ministerial conference on energy questions in Trieste on 7-9 June 1996. The Commission adopted on 3 April a communication on "A Euro-Mediterranean partnership in the energy sector"¹¹. This document sketches out the main lines of action the Commission intends to pursue in the follow-up to the Barcelona Euro-Mediterranean Conference as regards energy and highlights energy TEN as one of the main areas of cooperation between the Union and the countries of the Mediterranean Basin. The Trieste Conference approved a work programme and agreed to set up a Euro-Mediterranean energy forum to oversee its implementation.

Euro-Mediterranean forum on the Information Society

The Italian presidency also organised a Euro-Mediterranean forum on the Information Society in Rome on 30-31 May 1996. This conference brought together some 300 top-level participants and laid the foundations for increased cooperation between the two sides of the Mediterranean particularly in the fields of infrastructures and norms.

Transport

Discussions on linking-up the Union's transport TEN with the countries of the western Mediterranean Basin took place in the context of the meetings of the Western

¹¹ COM (96) 149

Mediterranean Transport Ministers (particularly at their second meeting in Rabat on 22 September 1995) .

Only preliminary work has yet been undertaken in the eastern part of the Mediterranean although a meeting on regional integration in the transport sector in the Eastern Mediterranean will be organised by Cyprus in spring 1997.

Maritime transport is of paramount importance in linking the countries of the Mediterranean Basin to the Union and at a meeting in Cyprus on 14-16 October the EU and its Mediterranean partners examined ways to implement a multi-annual rolling work programme for maritime transport in the Mediterranean, including the identification of possible projects of mutual interest suitable for Community financing.

The Union held bilateral discussions in October with Malta and Cyprus concerning their participation in the TEN.

C. OTHER COUNTRIES

Several electricity and natural gas projects linking the Union and Switzerland and Norway are currently under way or planned (see Annex I for details).

The Commission services launched a tender in July 1996 for a comparative study of surface transport routes between Europe and Asia (following up on an independent initiative foreseen pre-ASEM). Work is to start in March 1997, with the final report due in September 1997.

7. POLITICAL AND REGULATORY PROBLEMS

A. ENERGY

Several priority projects in the electricity sector are continuing to be confronted with difficulties of an administrative nature, due primarily to delays in the granting of building authorizations. These delays arise generally from the opposition of local environment protection bodies, which is reflected in the attitude of local and, to some extent, the national administrations. This is true in particular of the electricity interconnection projects between France and Italy, France and Spain (the French authorities announced unilaterally on 1 February that they were abandoning the planned route and looking for another), Italy and Greece (opposition by the municipalities concerned to the planned route) and, to a lesser extent, Spain and Portugal.

B. TELECOMMUNICATIONS

In the telecommunications sector, the term "infrastructure" covers the three layers of a network: bearer physical infrastructure, generic services and applications. In this sector, the bottleneck is mainly the availability of applications and services matching the socio-economic needs of the citizens and of the SMEs. In this domain, the uncertainty on short term commercial viability, due to the innovative character of the application or service or difficult organisational requirements can discourage the private initiative. The Union intervention will be used to reduce the financial risk created by these uncertainties and allow an interesting application or service of public interest to be launched on a trans-European basis in the framework of a public - private partnership.

C. TRANSPORT

Diverging priorities among Member States involved in the specific projects constitutes, in some cases, a delaying factor in the preparatory phase. It seems therefore crucial to underline further the Union benefit of the transport TEN projects (and to develop appropriate methods to quantify this benefit). On this basis, Member States should take account of the guidelines decided at Union level and adapt their national priorities to European priorities; Union financial instruments should support this objective.

The legal framework may, in certain cases, not be sufficiently adapted to the specific needs of large-scale transport infrastructure projects in the transport sector, or the application of existing rules requires early clarification. As regards the development of public-private partnerships, problems have in particular been identified with respect to transport pricing, public procurement and the European Company Statute. The High-Level Group on public-private partnership is analysing these problems; no conclusions, however, can be drawn at this stage.

As far as the competition rules are concerned, the Commission has adopted guidelines in its 1995 report on TENs, in particular to speed up the procedures. Once a specific agreement has been notified, and provided that the parties have contacted the Commission, the Commission will take the final decision within 6 months.

8. THE TEN AS A SOURCE OF EMPLOYMENT

A. CONFIDENCE PACT

In the "Confidence Pact" which he unveiled on 5 June, President Santer stressed that the implementation of the TEN and the construction of the 14 specific projects could contribute substantially to creating employment, directly and indirectly (the Confidence pact" covers of course a much wider field than just the TEN). This echoed the ideas underlying Title XII of the Treaty and the arguments put forward in the Commission's 1993 White Paper on "Growth, competitiveness, employment". The TEN, in addition to their immediate benefits for the energy, telecommunications, transport (and environment) sectors, will also have a broader positive impact on social and economic cohesion, on the implementation of the internal market and on growth, competitiveness and employment.

B. REPORT TO THE EP

In a resolution on the 1997 budget voted at the end of its March session in Brussels the EP asked the Commission to submit to it a report on the employment creation potential of the TEN. The Commission plans to submit its report presenting a first tentative assessment ("The likely macroeconomic and employment impact of investments in trans-European transport networks") to the Parliament in November. The executive summary of this report is to be found in annex X; its main points are :

- The economic effects of the completion of the 14 specific projects identified by the Essen European Council are highly positive: the cumulative gain in GDP would exceed 560 billion ECU by the year 2030. This represents a socio-economic return of some 11%.
- The completion of the 14 specific projects identified by the Essen European Council would create additional employment of 700,000 man years during the first decade (1998-2007). The construction of the full transport TEN as set out in the Community guidelines would lead to an increase in employment of some 3,200,000 man years.
- Based on a set of cautious assumptions, the range of estimates for long term permanent employment effects in the economy as a whole is between 130,000 and 230,000 extra jobs for the 14 Essen projects and between 594,000 and 1,030,000 extra jobs for all the projects in the T-TEN guidelines. However, if workers could be persuaded to take the productivity increases resulting from TEN investment in additional employment rather than higher real wages, then the increases in jobs would be dramatically higher: from at least 570,000 in the case of the 14 Essen projects, to as much as 4,700,000 for the whole network.

- It is important to point out that the above-mentioned estimations are based on the assumption that there is no significant overcapacity in the economy and that, therefore, T-TEN investments tend, in the short-term, to crowd out some alternative investment projects that would otherwise be undertaken. However, the present macroeconomic environment in the European Union with high unemployment and low interest rates indicates that significant spare capacity seems to be available. Accordingly, it can be expected that a political push for quick T-TEN implementation would generate even more jobs than estimated on the basis of the conservative assumptions used in this report.
- Macroeconomic and structural policies are particularly important for likely employment effects. This is especially true for those policies that influence the functioning of goods, capital and labour markets by enhancing competition, reducing rigidities and facilitating structural adjustment.
- Transport infrastructure investments on their own will clearly not solve Europe's unemployment problem and T-TENs should not be judged solely on their ability to create jobs. Other important benefits are likely to accrue.

At the same time DG XIII and DG XVII undertook more limited studies of the employment creation potential of TENs in the telecommunications and energy sectors respectively. It is important to note that the methodologies used in these two studies are not the same as that used in the report for the EP and therefore the results cannot be compared.

The DG-XIII desk study reviews the results of the most recent studies which have attempted to investigate the impact of investment in telecommunications and the development of the information society on employment, and to derive from the fragmented views which they offer the likely impact of the ECU 2 000 million expected to be generated by Community action. Using relatively optimistic assumptions, it estimates that a pro-active scenario of ICT investments such as the 150 billion ECU mentioned in the Commission's White Paper on Growth, Competitiveness and Employment over a 15 year period (1993-2008), would result in a long term 1.3% incremental increase in job creation. For each million ECU of TEN investment induced by the Community contribution there would be a long term increase of 12 jobs. On the other hand, studies made at national level indicate that the number of jobs created for every ECU 1 million invested in the information infrastructure lies in the range of 2.5 and 37.5 jobs. In a different context, a recent study of the impact of telecommunications liberalisation on employment in Europe indicates that the combined effects of liberalisation and technology diffusion spearheaded by infrastructure investments, notably in alternative infrastructures and interactive multimedia applications, could, according to one of the scenarios, create 900,000 jobs by 2005.

The report stresses that "these numbers have to be treated with extreme caution as there are based on extrapolations from different countries, which themselves are subject to considerable methodological and practical difficulties and uncertainties. In particular, considerable difficulties exist in trying to accurately quantify the multiplier

effects of investments in telecommunications infrastructures that can "spill over" onto almost every other sector of the economy."

According to the DG XVII study, "available figures on temporary employment show that approximately 20,000 man-years can be expected during the building phase of a sample of electricity networks (corresponding investments: 1,300 MECU) and approximately 15,000 man-years in the building of a sample of gas networks (for investments of 2,600 MECU). Taking into account the (small) differences in projects, and adjusting for the extent of inaccuracy in the figures provided, lead to rough estimates of 65,000 man-years for a total (actual known) investment of 4,000 MECU on electricity networks and 35,000 man-years for a total (actual known) investment of 11,500 MECU on gas networks. This predicted total of 100,000 man-years should be spread over the duration for building the energy TEN (between 5 and 10 years: average of 10,000 to 20,000 man-years a year)."

9. OTHER UNION POLICIES WITH A TEN DIMENSION

A. EUROPEAN COMPANY STATUTE

The Commission takes the view that "project authorities" should be created - at least temporarily - to organise and implement major infrastructure projects. The development of such authorities would be facilitated if a European Company Status existed, which would allow their development into profit-making bodies once construction starts. At present no suitable legal vehicle exists at Union level, thus unnecessarily increasing project costs and hampering development. The "Confidence Pact" which the Commission submitted to the Florence European Council stressed the need for the Council to adopt the ECS as quickly as possible. In the absence of progress on the ECS the Commission is studying the possibility of proposing a limited form of ECS tailor-made for TEN projects.

B. COMPETITION POLICY

Evolution of the situation since the last report

In the course of 1996 the Commission pursued its efforts to provide parties involved in the financing of TEN with all the necessary information on the competition rules that would allow them to qualify for exemptions decisions.

As announced in the 1995 TEN annual report, the Commission set up a one-stop help desk (fax+32-2/295 65 04) to advise project managers and other interested parties as regards Union legislation on competition policy and public procurement. Few requests for information were made. Those that were made were dealt with promptly and to the satisfaction of the inquirers.

C. PUBLIC PROCUREMENT

In order to avoid delays in projects as a result of misunderstandings related to the Union's public procurement rules, the Commission also recommended in its 1995 annual report on the TEN that project managers of the 14 specific projects should consult the Commission before the publication of tender documents. For this purpose a One-Stop Help Desk (fax +32-2/295 65 04) was established in the Commission to channel such requests. The number of consultations made in 1996 was small.

To inform all interested parties about the possibilities for public/private sector cooperation offered by the Union's public procurement rules and allow them to express and discuss their project needs, a Green Paper on public procurement in the EU will be issued in the course of the following months.

D. COMPLEMENTARITY WITH STRUCTURAL POLICIES

As the figures in Table 1 of Chapter 4 show, the Structural Funds are by far the main source of Union funding for the TEN. It is vital therefore that the Member states ensure continuing horizontal and vertical coordination between on the one hand their departments dealing with transport, energy, telecommunications, and, on the other hand, the various levels of national, regional and local administration involved in channelling financial assistance from the Structural Funds. In practical terms it is essential that officials whose primary concern is regional development should be adequately informed and kept up-to-date as regards the Union's TEN policy.

E. TRANSPORT POLICY

The Commission made in the course of the last twelve months two transport pricing proposals which are directly relevant to the development of TENs through PPPs and to ensuring fair competition among the different modes of transport. In its Green Paper "Towards fair and efficient pricing in transport"¹⁴ the Commission devotes one of the chapters to the question of infrastructure costs and congestion, pleading for cost recovery through user charges and pointing out the importance of efficient infrastructure pricing to facilitate the introduction of PPPs. The second proposal¹² aims at renewing the "Eurovignette" 93/89/EEC directive with a view, further to the general objective of furthering the development of the internal market in road transport, to ensuring a better recovery of costs associated with road use, including infrastructure recovery plus externalities. This would allow for a greater differentiation in charges in line with costs, and would be a step towards the principle of territoriality in charging for road use.

The various green and white papers which the Commission adopted in the course of the last 12 months on "A citizens network"¹³, "Towards fair and efficient pricing in transport"¹⁴ and "The revitalisation of Europe's railways"¹⁵ have contributed in a broad way to create a more favourable context for TEN.

F. ENVIRONMENT

The green and white papers mentioned above have also helped create a greater awareness of the need to ensure that the development of the TEN should be compatible with the Union's environment protection and sustainable development policies. The Commission has on several occasions expressed its intention to study further the environmental consequences of the trans-European transport network. The Decision of the European Parliament and the Council of 23 July on Community guidelines for the development of the transport TEN requires the Commission to develop methods for the strategic environmental assessment of the whole network and

¹² COM (96) 331, 24 July 1996
¹³ COM (95) 601 of 21 November 1995
¹⁴ COM (95) 691 of 20 December 1995
¹⁵ COM(96) 421 of 23 July 1996

for corridor assessments. The results of this work shall, where appropriate, be taken into account by the Commission in its report on the revision of the guidelines, which is due on 1 July 1999. The Commission services have started technical work with a view to responding to this requirement.

ANNEX I: PROGRESS MADE ON THE ENERGY NETWORKS IN 1996

- Projects of common interest included in the Guidelines (Decision no 1254/96 EC of 5 June 1996 O.J. no L 161) and
- *Projects proposed by the Commission for inclusion in the Guidelines (COM (96) 390 of 24 July 1996). (in italic)*

(Short indication of the stage reached by these projects by end 1996)

ELECTRICITY NETWORK PROJECTS

PROJECT	STAGE REACHED AND E.U. FINANCIAL INTERVENTION
<p>a1 <u>UNITED KINGDOM</u></p> <p>Connection by submarine cable of Northern Ireland to Scotland.</p> <p>* Island Magee-Coylton</p>	<p>Authorisation procedures ongoing. Expected commissioning: 1997. <u>EU financial intervention</u> CSF: 81 MECU.</p>
<p>a4 <u>GREECE - ITALY</u></p> <p>Connection by submarine cable of Greek network to Italian network through north-western Greece and south-eastern Italy.</p> <p>* Ipiros-Puglia</p>	<p>Project declared as "priority project" at the Essen Summit (December 1994).</p> <p>Study completed but construction delayed by authorisation procedures. <u>EU financial intervention</u> REGEN: 35 MECU INTERREG: 78,5 MECU EIB loan: 100 MECU</p>
<p>a7 <u>UNITED KINGDOM</u></p> <p>Connection by submarine cable of the Isle of Man.</p>	<p>Pre-feasibility studies ongoing. Commissioning Autumn 1999. <u>EU financial intervention</u> TEN line: co-financing of studies (under appraisal)</p>
<p>b1 <u>GERMANY - DENMARK</u></p> <p>Connection by submarine cable between the German network (UCPTE) and Denmark's eastern network (NORDEL).</p> <p>* Bjæverskov-Bentwisch</p>	<p>This project became operational in 1996.</p>

<p>b4 <u>FRANCE - BELGIUM</u></p> <p>Completion of connection between the two countries' networks through north-eastern France and southern Belgium.</p> <p>* Moulaine-Aubange.</p>	<p>Authorisation procedures ongoing. Commissioning: 1999.</p>
<p>b5 <u>FRANCE - GERMANY</u></p> <p><i>Strengthening of the connections between the two countries.</i></p>	<p><i>Authorisation procedures ongoing. Commissioning in 1999</i></p>
<p>b6 <u>FRANCE - ITALY</u></p> <p>Connection between the two countries' networks through south-eastern France and north-western Italy.</p> <p>* Grand île-Piosasco</p>	<p>Project declared as "priority project" at the Essen Summit (December 1994).</p> <p>Authorisation procedures ongoing. Expected beginning of works: 1998. Commissioning: 2000. <u>EU financial intervention</u> TEN line: co-financing of studies in 1995.</p>
<p>b7 <u>FRANCE - SPAIN</u></p> <p>Land connection between the two countries' networks through south-western France and northern Spain.</p> <p>* Cazaril-Aragon or alternative route/layout.</p>	<p>Project declared as "priority project" at the Essen Summit (December 1994).</p> <p>Project suspended. 75% of the Spanish line built. Feasibility studies on new routes ongoing. <u>EU financial intervention</u> TEN line: co-financing of studies in 1995 [and in 1996].</p>
<p>b9 <u>BELGIUM - LUXEMBOURG</u></p> <p>Connection between the two countries' networks.</p> <p>* Aubange-Bertrange</p>	<p>Authorisation procedures ongoing. Commissioning: 2000.</p>

<p>b10 SPAIN - PORTUGAL</p> <p>Strengthening and completion of connections between the two countries through the regions of northern Portugal and north-western Spain.</p> <p>* Aldeadavila-Douro International.</p> <p>* Mesón-Lindoso</p>	<p>Project declared as "priority project" at the Essen Summit (December 1994).</p> <p>Pre-feasibility studies. Expected beginning of works: 2002. Commissioning: 2004.</p> <p>In operation since December 1995 through a longer circuit. The complete project will be operational in the beginning of 1997.</p> <p><u>EU financial intervention</u> CSF (Spain) 3 MECU EIB loan: 26 MECU</p>
<p>b10(a) SPAIN - PORTUGAL</p> <p><i>New connection between the two countries through the Southern region of Portugal and the South-West of Spain</i></p>	<p><i>Prefeasibility studies. Commissioning: after 2000.</i></p>
<p>b11 FINLAND - SWEDEN</p> <p>Strengthening interconnections north of the Gulf of Bothnia.</p>	<p>Project decided. <u>EU financial intervention</u> TEN line: co-financing of studies in 1995 [and in 1996].</p>
<p>b12 AUSTRIA - ITALY</p> <p>Strengthening connections between the North of Italy and the Austrian network.</p> <p>* Lienz-Cordignano.</p>	<p>Authorisation procedures ongoing. Commissioning: 2002. <u>EU financial intervention</u> TEN line: co-financing of studies in 1995.</p>
<p>b13 IRELAND - UNITED KINGDOM (N. IRELAND)</p> <p><i>Strengthening of connections between Ireland and Northern Ireland.</i></p>	<p><i>Pre-feasibility studies ongoing. <u>EU financial intervention</u> TEN line: co-financing of studies (under appraisal)</i></p>
<p>b14 AUSTRIA - GERMANY</p> <p><i>Strengthening of the connections between the two countries.</i></p>	<p><i>Commissioning: after 2000.</i></p>

<p>b15 <u>THE NETHERLANDS- UNITED KINGDOM</u></p> <p><i>Connection by submarine cable between south-eastern England and central Netherlands.</i></p>	<p><i>Pre-feasibility studies ongoing. <u>EU financial intervention</u> TEN line: co-financing of studies (under appraisal)</i></p>
<p>c2 <u>DENMARK</u></p> <p>Connections by submarine cable between the country's western (UCPTE) and eastern (NORDEL) networks.</p>	<p>Project declared as "priority project" at the Essen Summit (December 1994).</p> <p>Project decided. Discussions on the financing of the project are taking place. The initial date for commissioning (1997) has been postponed.</p>
<p>c3 <u>THE NETHERLANDS</u></p> <p>Strengthening connections in the North-East of the country.</p> <p>* Zwolle-Meeden-Eemshaven.</p>	<p>Under construction.</p>
<p>c4 <u>FRANCE</u></p> <p>Strengthening connections in the North-East of the country.</p> <p>* Sierrentz-Mulbach.</p>	<p>Authorisation procedures ongoing. Commissioning: 1999.</p>
<p>c5 <u>ITALY</u></p> <p>Strengthening and developing connections on the East-West axes in the North of the country and on the North-South axis.</p> <p>* 15 sub-projects.</p>	<p>Some sections are under construction and others in the authorisation procedure phase. Commissioning from 2001 to 2004. <u>EU financial intervention</u> TEN line: co-financing of studies in 1995.</p>
<p>c5(a) <u>ITALY</u></p> <p><i>Strengthening and development of connections on the East-West axis in the North-West of the country and on the North-South axis in the centre of the country.</i></p>	<p><i>Feasibility studies ongoing. Commissioning: from 2000 to 2002. <u>EU financial intervention</u> TEN line: co-financing of studies (under appraisal)</i></p>

<p>c6 SPAIN</p> <p>Strengthening and developing connections in the regions in the North of the country and in the regions along the Mediterranean axis.</p>	<p><u>North axis</u>: two out of three sections are under construction, the other in the feasibility study phase. Commissioning will vary from 1996 to 2000.</p> <p><u>Mediterranean axis</u>: the sections of the South are under construction and the expected commissioning date is 1997. The section that will connect with France is in the feasibility study phase and commissioning is expected for the year 2004.</p> <p><u>EU financial intervention</u>: EIB loan (25,1 MECU) for the line Pinar-Tajo. TEN line: co-financing of studies in 1995 [and in 1996].</p>
<p>c7 PORTUGAL</p> <p>Strengthening connections necessary for interconnections with Spain in the North and Centre of the country.</p> <p>* Recarei-Douro International</p> <p>Pego-Rio Maior II.</p>	<p>Feasibility studies. Commissioning: June 2001.</p> <p>Authorisation procedures ongoing. Commissioning: September 98.</p> <p><u>EU financial intervention</u>: TEN line: co-financing of studies for the Recarei-Douro International line in 1995.</p>
<p>c8 GREECE</p> <p>Strengthening connections on the East-West axis in the North of the country.</p>	<p>Prefeasibility studies. Commissioning : 2000-2002.</p>
<p>c9 IRELAND</p> <p><i>Strengthening of connections in the North-West of the country.</i></p>	<p><i>Feasibility studies ongoing.</i></p>
<p>c10 SPAIN</p> <p><i>Strengthening and development of connections in the North-East and West of the country, in particular to connect to the network production capacities of electricity generated from wind-power.</i></p>	<p><i>Pre-feasibility studies ongoing. Feasibility studies and Environmental Impact Assessments in 1997 and 1998.</i></p> <p><u>EU financial intervention</u> <i>TEN line: co-financing of studies (under appraisal)</i></p>

<p>c11 <u>SWEDEN</u></p> <p><i>Strengthening and development of internal connections.</i></p>	<p><i>Feasibility study in 1997.</i></p>
<p>c12 <u>GERMANY</u></p> <p><i>Development of connections in the North of the country.</i></p>	<p><i>Some sections under construction. Other sections: authorisation procedures ongoing. Planned commissioning of the complete project: 1998.</i></p>
<p>d2 <u>GERMANY- POLAND</u></p> <p><i>Strengthening of the connections between the two countries.</i></p>	<p><i>Hagenwerder (DE) - Mikulowa (POL): commissioning 1998. Neuenhagen - Vierraden (DE) - Krajnik (POL): commissioning after 2000.</i></p>
<p>d3 <u>GERMANY- NORWAY</u></p> <p>Connection by submarine cable between northern Germany (UCPTE) and southern Norway (NORDEL).</p>	<p>Feasibility studies. Commissioning: 2003.</p>
<p>d5 <u>ITALY - SWITZERLAND</u></p> <p>Strengthening connections between northern Italy and Switzerland.</p> <p>* Gorlago-Robbia.</p>	<p>Under construction. Commissioning: 1997 or 1998.</p>
<p>d8 <u>GREECE - BALKAN COUNTRIES</u></p> <p><i>Strengthening of connections between Greece and, respectively, Albania, Bulgaria and former-Yugoslavia, including the restoration of the connections with the North of former-Yugoslavia and the UCPTE network.</i></p>	<p><i>Feasibility studies: ongoing. <u>EU financial intervention</u> TEN line: co-financing of studies (under appraisal)</i></p>
<p>d9 <u>GREECE - TURKEY</u></p> <p>Connections between the two countries through north-eastern Greece.</p> <p>* Thessaloniki-Hamitabat.</p>	<p>Section from Thessaloniki (GR) to Philippi (GR): under construction. Section from Philippi (GR) to Hamitabat (TU): planned.</p>

<p>d10 <u>UNITED KINGDOM - NORWAY</u></p> <p>Connection by submarine cable between the North/easter/eastern England and southern Norway (NORDEL).</p>	<p>Pre-feasibility studies completed. Feasibility studies and seabed survey in 1997 and 1998. Commissioning: 2004. <u>EU financial intervention</u> TEN line: co-financing of studies (under appraisal).</p>
<p>d11 <u>THE NETHERLANDS- NORWAY</u></p> <p>Connection by submarine cable between the north-eastern Netherlands (UCPTE) and southern Norway (NORDEL).</p>	<p>Project decided. Commissioning: 2001. <u>EU financial intervention</u> : TEN line : co-financing of studies [in 1996].</p>
<p>d13 <u>SPAIN - MOROCCO</u></p> <p>Connection by submarine cable between southern Spain and the Moroccan network.</p> <p>* Pinar-Melloussa.</p>	<p>Under construction. Commissioning: 1997. <u>EU financial intervention</u>: Co-financing of studies from the 1995 TEN budget. INTERREG: 12.5 MECU.</p>
<p>d14 <u>BALTIC RING: GERMANY - POLAND - RUSSIA - ESTONIA - LATVIA - LITHUANIA - SWEDEN - FINLAND - DENMARK - BELARUS.</u></p> <p>Strengthening and developing connections between these countries' networks by overground and/or submarine cables.</p>	<p>Pre-feasibility studies. <u>EU financial intervention</u> : TEN line: co-financing of studies in 1995 [and in 1996].</p>
<p>d15 <u>SWEDEN - NORWAY</u></p> <p>Strengthening of the connections between the two countries.</p>	<p>Some sections are in the authorisation procedure phase. Others are in the feasibility or pre-feasibility stage. <u>EU financial intervention</u> TEN line: co-financing of studies (under appraisal)</p>
<p>d16 <u>EU - BELARUS - RUSSIA - UKRAINE</u></p> <p>Development of connections and interface between the (extended) UCPTE network and the networks of third countries in Eastern Europe, including the relocation of the HVDC conversion stations operating previously between Austria and Hungary, Austria and the Czech Republic and Germany and the Czech Republic.</p>	<p>Some technical studies have been/will be undertaken. <u>EU financial intervention</u> Interface study supported by PHARE/TACIS TEN line: co-financing of studies (under appraisal)</p>

NATURAL GAS NETWORK PROJECTS

PROJECT	STAGE REACHED AND E.U. FINANCIAL INTERVENTION
<p>e4 <u>SPAIN</u></p> <p>Setting up gas networks in the regions of Galicia, Extremadura, Andalusia, Valencia-South, Murcia, including an LNG terminal in Galicia.</p>	<p><u>Galicia</u>: project decided. Commissioning: June 1998. <u>Extremadura</u>: under construction. Commissioning: June 1998. <u>Andalusia</u>: under construction. Commissioning: 1997. <u>Valencia South</u>: under construction. Commissioning: September 1997. <u>Murcia</u>: under construction. Commissioning: September 1997. <u>Enlargement LNG terminal Cartagena</u>: project planned. Commissioning: 2000. <u>LNG Galicia</u>: project postponed.</p> <p><u>EU financial intervention</u>: INTERREG II: 80 MECU committed for interconnections with Portugal (through Galicia and through Andalusia and Extremadura). CSF: Valencia-Cartagena: 107 MECU under appraisal. Upgrading LNG terminal at Huelva (Andalusia): 7 MECU committed. Western pipeline (Castilla y León, Extremadura and Asturias): 95 MECU under appraisal. Oviedo-Ribadeo (Asturias): 10 MECU under appraisal.</p>
<p>e5 <u>PORTUGAL</u></p> <p>Setting up in the country, in particular along the Atlantic coastline, of a gas network.</p> <p>* Setubal-Braga.</p>	<p>Project declared as "priority project" at the Essen Summit (December 1994).</p> <p>Under construction. Commissioning: beginning of 1997.</p> <p><u>EU financial intervention</u> REGEN: 82 INTERREG II: 70 CSF: 21 EIB loan (354 MECU) and ECSC loan (102 MECU) for this project and its interconnections with Spain (see project f6).</p>
<p>e5(a) <u>PORTUGAL</u></p> <p><i>Construction of an LNG terminal on the Atlantic coast.</i></p>	<p><i>Planning phase.</i> <i>Possible date of operation: 2002</i></p>

PROJECT	STAGE REACHED AND E.U. FINANCIAL INTERVENTION										
<p>e6 <u>GREECE</u></p> <p>Setting up a gas network in the country, in particular along the Aegean coastline, including an LNG terminal in Attica and storage facilities.</p> <p>* Bulgaria-Athens LNG at Revithoussa.</p>	<p>Project declared as "priority project" at the Essen Summit (December 1994).</p> <p>Main North-South pipeline: construction completed and commissioning : end 1996. High pressure branches and LNG terminal: under construction.</p> <p><u>EU financial intervention</u></p> <table border="0"> <tr> <td>REGEN:</td> <td>87</td> </tr> <tr> <td>INTERREG II:</td> <td>180</td> </tr> <tr> <td>CSF:</td> <td>262</td> </tr> <tr> <td>EIB loan:</td> <td>300</td> </tr> <tr> <td>ECSC loan:</td> <td>83 (+ 97 requested).</td> </tr> </table> <p>TEN line: In 1995, co-financing of studies for storage facilities and extensions of the network. [In 1996], co-financing of a study for the introduction of gas in Crete.</p>	REGEN:	87	INTERREG II:	180	CSF:	262	EIB loan:	300	ECSC loan:	83 (+ 97 requested).
REGEN:	87										
INTERREG II:	180										
CSF:	262										
EIB loan:	300										
ECSC loan:	83 (+ 97 requested).										
<p>f1 <u>IRELAND - UNITED KINGDOM (N. IRELAND)</u></p> <p>Connection between the gas networks of Ireland and the United Kingdom (Northern Ireland).</p>	<p>Prefeasibility studies. Possible commissioning: 2000.</p> <p><u>EU financial intervention:</u> TEN line: co-financing of studies in 1995.</p>										
<p>f2 <u>UNITED KINGDOM - CONTINENT</u></p> <p>Submarine connection between the gas networks of the United Kingdom and the continent through Belgium.</p> <p>* Bacton-Zeebrugge.</p>	<p>Construction works began in October 1996. Authorisation procedures ongoing. Expected commissioning: October 1998.</p>										
<p>f3 <u>LUXEMBOURG - GERMANY</u></p> <p>Establishing a connection to supply Luxembourg from the German networks.</p>	<p>Prefeasibility studies.</p>										
<p>f5 <u>FRANCE - SPAIN</u></p> <p><i>Strengthening of transport capacity between the two countries.</i></p>	<p><i>For a new line: feasibility studies ongoing; probable commissioning in 2001.</i></p> <p><i>For a new compressor station : authorisation procedures and beginning of the work are expected in 1997; commissioning probably in 1999.</i></p>										

PROJECT	STAGE REACHED AND E.U. FINANCIAL INTERVENTION
<p>f6 <u>PORTUGAL - SPAIN</u></p> <p>Constructing gas pipelines to supply Portugal through southern Spain and to supply Galicia and Asturias through Portugal.</p> <p>* Leiria-Cordoba</p> <p>Braga-Tuy-Oviedo.</p>	<p>Project declared as "priority project" at the Essen Summit (December 1994).</p> <p>Connection through Southern Spain: under construction. Commissioning: beginning of 1997.</p> <p>Connection to Galicia: work about to begin. Commissioning: end 1997.</p> <p><u>EU financial intervention</u></p> <p>INTERREG: 150 Portuguese CSF: 6 EIB and ECSC loans: (see project e5).</p>
<p>f7 <u>FRANCE</u></p> <p><i>Connection of the networks of the South-West and of the South of the country.</i></p>	<p><i>Authorisation procedures ongoing. Commissioning by July 1997.</i></p>
<p>f8 <u>AUSTRIA - GERMANY</u></p> <p><i>Strengthening of transport capacity between Austria and Bavaria.</i></p>	<p><i>Authorisation procedures ongoing. Expected commissioning: 1998.</i></p>
<p>f9 <u>AUSTRIA - HUNGARY</u></p> <p><i>Connection between the networks of the two countries.</i></p>	<p><i>The line Baumgarten (A) - Györ (H) has been completed. Gas deliveries began in October 1996. For the line Wiener Neustadt (A) - Sopron (H) a feasibility study is under way.</i></p>
<p>f10 <u>AUSTRIA - SLOVAKIA</u></p> <p><i>Connection of Austria to underground storage in Slovakia.</i></p>	<p><i>Under construction. Expected commissioning date: 1997.</i></p>
<p>f11 <u>AUSTRIA</u></p> <p><i>Connection between gas pipelines linking Austria to, respectively, Germany and Italy.</i></p>	<p><i>Authorisation procedures ongoing. Beginning of the work expected in 1997. Commissioning by Autumn 1998.</i></p>

PROJECT	STAGE REACHED AND E.U. FINANCIAL INTERVENTION
<p>f12 <u>GREECE - ALBANIA</u></p> <p><i>Connection between the networks of the two countries.</i></p>	<p><i>Preliminary data collection ongoing.</i> <u>EU financial intervention</u> : <i>TEN line : co-financing of studies (under appraisal)</i></p>
<p>g1 <u>IRELAND</u></p> <p>Developing natural gas storage facilities to supply the Irish network.</p>	<p>Prefeasibility studies. <u>EU financial intervention</u> TEN line: co-financing of studies [in 1996].</p>
<p>g3 <u>FRANCE</u></p> <p>Extending capacity of existing LNG terminal in western France.</p> <p>* LNG of Montoir.</p>	<p>Prefeasibility studies.</p>
<p>g4 <u>ITALY</u></p> <p>Construction of new LNG terminal to allow diversification of supplies, in particular for electricity generation.</p> <p>* LNG terminal at Montalto di Castro.</p>	<p>Authorisation procedure phase. Expected commissioning date: 2001.</p>
<p>g7 <u>FRANCE</u></p> <p><i>Extension of underground storage capacities in the South-West of the country.</i></p>	<p><i>Authorisation procedures ongoing.</i></p>
<p>g8 <u>SPAIN</u></p> <p>Development of underground storage capacity on the country's North-South axis.</p> <p>* Storage at Huete. Storage at Nueva Carteya.</p>	<p>Feasibility studies. <u>EU financial intervention</u> TEN line: co-financing of studies in 1995 [and in 1996].</p>
<p>g8(a) <u>SPAIN</u> ✓</p> <p><i>Development of underground storage capacities on the Mediterranean axis.</i></p>	<p><i>Feasibility studies ongoing.</i> <i>Commissioning between 1998 and 2005.</i> <u>EU financial intervention</u> TEN line: co-financing of studies (under appraisal)</p>

PROJECT	STAGE REACHED AND E.U. FINANCIAL INTERVENTION
<p>g9 <u>PORTUGAL</u></p> <p>Constructing an underground storage facility.</p>	<p>Prefeasibility studies. <u>EU financial intervention:</u> Portuguese CSF : 52 MECU.</p>
<p>g11 <u>BELGIUM</u></p> <p>Extending existing underground storage capacity in northern Belgium.</p> <p>* Storage at Loenhout.</p>	<p>Project decided.</p>
<p>g12 <u>DENMARK</u></p> <p>Extending underground storage capacity by increasing capacity on existing sites or creating a new site close to the frontier with Germany.</p>	<p>Feasibility study phase. Commissioning: 2000. <u>EU financial intervention</u> TEN line: co-financing of studies in 1995 [and in 1996].</p>
<p>g13 <u>AUSTRIA</u></p> <p><i>Extension and development of underground storage capacities.</i></p>	<p><i>Puchkirchen: feasibility studies and authorisation procedures ongoing. Expected commissioning in 1999.</i> <i>Eurostorage Baumgarten: feasibility studies ongoing.</i> <u>EU financial intervention</u> <i>TEN line : co-financing of studies for Eurostorage Baumgarten under appraisal.</i></p>
<p>h1 <u>NORWAY- FRANCE</u></p> <p><i>Construction of a 4th gas pipeline from Norwegian resources (North Sea) to the Continent.</i></p>	<p><i>Authorisation procedures ongoing. Works will start early 1997. Commissioning 1998.</i></p>
<p>h3 <u>NORWAY - DENMARK - SWEDEN - FINLAND - RUSSIA - BALTIC STATES</u></p> <p><i>Creation and development of connections between the networks of these countries with a view to setting up an integrated gas network.</i></p>	<p><i>Feasibility study phase. Works are expected to start in 1998 for commissioning between 2002 and 2005 for the several stages of the projects.</i> <u>EU financial intervention</u> <i>TEN line: co-financing of studies (under appraisal)</i></p>

PROJECT	STAGE REACHED AND E.U. FINANCIAL INTERVENTION
<p>h4 <u>ALGERIA - SPAIN - PORTUGAL - FRANCE</u></p> <p>Construction of new gas pipelines to allow Spain and Portugal initially, and subsequently France, to be supplied from Algeria via Morocco.</p>	<p>Project declared as "priority project" at the Essen Summit (December 1994).</p> <p>1st phase (up to Cordoba): commercial operational began in November 1996. 2nd phase (to connect with France): prefeasibility studies. Commissioning: after 2000. <u>EU financial intervention:</u> EIB loans: 641 MECU for works from Algeria to Tarifa. Spanish CSF: 99 MECU.</p>
<p>h5 <u>ALGERIA - TUNISIA - ITALY</u></p> <p>Increasing the transport capacity of the trans-Mediterranean gas pipeline to Italy from Algerian resources.</p>	<p>Work well advanced. Commissioning: 1997.</p>
<p>h6 <u>RUSSIA - UKRAINE - EU</u></p> <p>Increasing transport capacity to the European Union from Russian resources via the main existing axis through the Ukraine, Slovakia and the Czech Republic.</p>	<p>Prefeasibility studies.</p>
<p>h7 <u>RUSSIA - BELARUS - POLAND - EU</u></p> <p>Creation of a second transport axis from Russian resources to the European Union via Belarus and Poland.</p>	<p>Project declared as "priority project" at the Essen Summit (December 1994).</p> <p>Section in Poland : under construction (a first phase, including the Oder crossing, has been completed). Sections in Germany : authorisation procedures ongoing/completed, some sections under construction.</p>
<p>h11 <u>BULGARIA - GREECE</u></p> <p>Improvements to the gas transportation network in Bulgaria to ensure supplies from Russian resources to the new gas network in Greece.</p>	<p>First phase : construction near completion. Link to project e6. <u>EU financial intervention</u> PHARE (Interreg): 4 MECU.</p>
<p>h12 <u>BELGIUM - GERMANY</u></p> <p>Connecting gas pipeline between the Belgian and the German networks.</p> <p>* Including the Berneau-Eynatten connection.</p>	<p>Authorisation procedures ongoing. Commissioning 1998.</p>

PROJECT	STAGE REACHED AND E.U. FINANCIAL INTERVENTION
<p><u>h13 GERMANY - CZECH REPUBLIC - AUSTRIA - ITALY</u></p> <p><i>Construction of a system of connecting pipelines between the German, Czech, Austrian and Italian gas networks.</i></p>	<p><i>First phase (20 km from Mauerkirchen (A) to Burghausen (DE) just completed. Other phases are at the planning feasibility study stage. Commissioning will vary from 1996 to 2001. <u>EU financial intervention</u> TEN line: co-financing of studies (under appraisal)</i></p>
<p><u>h14 RUSSIA - UKRAINE - SLOVAKIA - HUNGARY - SLOVENIA - ITALY</u></p> <p><i>Construction of a new gas pipeline, from Russian resources, to Italy.</i></p>	<p><i>First phase: environmental and technical feasibility studies ongoing. Work is expected to start in 1997 with commissioning expected in 1999/2000. Second phase: 2003-2005: several possibilities are open.. <u>EU financial intervention</u> TEN line: co-financing of studies (under appraisal)</i></p>

* Specification of the project (Commission Decision 96/537/EC of 30 July 1996 O.J. no L 230).

ANNEX II: PROGRESS MADE ON THE TRANSPORT NETWORKS IN 1996

A. The 14 Specific projects

PROJECT	PROGRESS MADE IN 1996
HST North-South	<p>For the Austrian part of the Brenner [Inn Valley section], a new company was created in January which is responsible for the preparatory phase prior to the authorization to build. Detailed technical, financial, legal and economic studies for the entire München-Verona axis, launched by the German, Austrian, Italian governments and the Commission are making good progress and will be finished in December.</p>

	With regard to the northern part of the project (Berlin-Nürnberg), new construction work was begun on the Leipzig-Erfurt and Erfurt-Nürnberg sections while work has progressed as planned between Berlin and Leipzig / Halle (upgrading).
HST PBKAL	In July, the British government granted to the London & Continental Railways consortium the concession to run the HST rail link between the Chunnel and London .
	An investment contract was concluded early in the year between the German government and the Deutsche Bahn AG for the construction of the new HST line Cologne-Frankfort .
	Work on the Brussels-Lille and Brussels-Netherlands border axes progressed as anticipated; a new financing structure was set up in Belgium which should make it possible to fill at least a part of the financing.
	In the Netherlands, an agreement was concluded finally on the route of the Amsterdam-Belgian border axis.
HST South	The Figueras-Perpignan international section : a trial bore for a 8 km tunnel was begun in the autumn.
HST East	The "déclaration d'utilité publique" was granted.
HST France-Italy	An intergovernmental Commission, to study the possible legal structure for the entity in charge of carrying out the international section of Montmelian-Torino was set up.
	For the Torino-Milano and Milano-Venezia sections, a concession, including the preparation, construction and the upkeep, was granted to the TAV company; the state contributions to improve the project's profitability were ensured; the private contributions, however, still remain to be supplemented.
Betuwe line	For the Betuwe line, legislative progress was made even if the solution results in a considerable increase in the cost, which still remains to be covered.
Greek motorways	Concessions were granted for specific sections of the Motorways in Greece: the Rio-Antirio fixed link and the ring-road around Athens.

Lisbon-Valladolid motorway	In June, the Florence European Council formally took note of the proposal by the Portuguese and Spanish governments to modify priority project n°8 of the Essen list A and thus to create a multimodal link between Portugal and Spain on the one hand and the rest of Europe on the other. A seminar was organized in October where the project in its extended scope was analyzed. The Commission welcomed the multimodal Portuguese approach and its coherence with the objectives of the TEN guidelines and confirmed that all the sub-projects were already identified in their annexes I and II.
Cork-Dublin-Belfast-Larne-Stranraer	The railway project in Ireland is likely to be completed considerably before the date envisaged, thanks to major contributions from the Cohesion Fund.
Malpensa airport	Work is proceeding according to schedule (completion of the entire project expected in 2000). The Italian Ministry of Transport has issued the decree laying down the rules for moving air traffic from Linate to Malpensa.
Öresund fixed link	The construction of the tunnel and the bridge foundations are advancing well, as is the preparation of the access routes.
Nordic Triangle	A significant number of railway and road projects are under construction; in the maritime and port sectors, studies are in hand.
Ireland/UK/Benelux road link	The Irish part of the IRL/UK/Benelux road project is progressing well, thanks to ERDF and Cohesion Fund interventions.
West Coast Line	A decision concerning the finalisation of the financing plan is expected shortly.

B. OTHER PROJECTS

PROJECT	PROGRESS MADE IN 1996
Semmering base tunnel, Austria	The pre-qualification tender in view of a BOT concession for a 42 km long section of the Pontebbana axis (Vienna-Tarvisio/Ljubljana), including the 21 km long Semmering base tunnel, was concluded and the final tender has been launched; the tendering procedure is planned to be finalized in early 1997. The execution of a trial bore (to be included as a service tunnel in the ultimate tunnel system) has been started in 1996.

Berlin-Hannover HST	Procedures have been completed and work started on the 270 km long line reducing, after completion, the travelling time between Berlin and Hannover to 1h45.
Milano-Bologna-Firenze-Roma-Napoli HST	<i>Milano-Bologna</i> : planning procedures are on going and are expected to be completed in 1997 (granting of building permission). <i>Bologna-Firenze</i> : work has been started in 1996. <i>Roma-Napoli</i> : work is progressing.

ANNEX III: LIST OF TENFAC MEETINGS SEPT. 1995 - DEC. 1996

1995

- 10 October (morning) : horizontal affairs
- 10 October (afternoon) : telecommunications
- 11 October : energy
- 12 October : transport
- 9 November : energy
- 20 November : telecommunications

1996

- 26 March : horizontal affairs
- 8 May : transport
- 25 July : transport
- 13 September : telecommunications
- 25 October : energy
- 12 November : horizontal questions

ANNEX IV: ENERGY PROJECTS FINANCED UNDER REGULATION 2236/95

A. COMMUNITY FINANCIAL SUPPORT IN 1995

Registration number of the study	Identification of the projects subject of the study	Maximum Eligible Cost of the study	Maximum Amount of the Community financial support	Community Financial support as percentage of the eligible cost
		(in ECU '000)	(in ECU '000)	(in %)
E2/95	(b11)* FINLAND-SWEDEN Increased electricity transmission capacity	150	75	50
E5/95	(b11) SWEDEN-FINLAND Increased electricity transmission capacity	150	75	50
E6/95	(d14) SWEDEN-POLAND Electricity interconnection	1600	800	50
E21-22/95	(d14) BALTIC RING Electricity interconnection	5000	2500	50
E34/95	(d14) BALTIC RING Peak power exchange	395	150	38
E7/95	(c5) ITALY Vado-Ligure-Morigallo electricity line	274	137	50
E14/95	(c5) ITALY Santa Barbara-Tavarnuzze electricity line	175	87.5	50
E15/95	(c5) ITALY Pietrafitta-Santa Barbara electricity line	200	100	50
E16/95	(c5) ITALY Piedilago pumped storage	1475	737.5	50
E11/95	(d6) ITALY- AUSTRIA Cordignato- Austrian border electricity line	165	82.5	50
E19/95	(b6) ITALY- FRANCE Piosasco-Moncenisio electricity line	160	80	50
E23/95	(c6) SPAIN Cantabrian Sea : Penagos-Gueñes electricity line	300	150	50

E24/95	(c6)	SPAIN Cantabrian Sea : Gueñes-Itxaso electricity line	250	125	50
E25/95	(c6)	SPAIN Cantabrian Sea : Soto-Penagos electricity line	180	90	50
E27/95	(b7)	SPAIN-FRANCE Pirineo connection substation electricity line	280	140	50
E28/95	(b7)	SPAIN-FRANCE Aragón-Cazaril electricity line	400	200	50
E3/95	(d13)	SPAIN-MOROCCO New cable route for the electricity interconnection	1275	637.5	50
E30/95	(c7)	PORTUGAL-SPAIN Reinforcement of the electricity interconnection	634	317	50
G1/95	(f1)	IRELAND-N.IRELAND Natural gas interconnector	300	150	50
G2/95	(g12)	DENMARK Toender natural gas storage	2975	1487.5	50
G3/95	(g8) (h4)	SPAIN Natural gas underground storage at Nueva Carteya	1884	942	50
G4/95	(g8)	SPAIN Natural gas underground storage at Hueña	2665	1332.5	50
G5/95	(e6)	GREECE Natural gas underground storage	2000	1000	50
G6/95	(e6)	GREECE Extension of main natural gas transmission system	1540	770	50
		TOTAL	24427	12166	

* Same reference as in guidelines (O.J. N° C216. 21/08/1995).

B. [a list of studies approved for 1996]

Registration number of the study	MEMBER STATE - COMPANY		Maximum eligible cost of the study	Community financial support as percentage of the eligible cost	Maximum amount of the Community financial support
	Identification of the project* subject of the study and main scope of the study		(in ECU '000)	(in %)	(in ECU '000)
E35/96	(c6)	SPAIN - Red Eléctrica de España Electricity interconnections (at 400 KV) Sentmenat - Bescano and Bescano - Line Vic/Baixas (Mediterranean axis). Environmental impact and basic engineering studies for both lines. Economic and technical feasibility study for the second line.	440	50	220
E38/96	(b7)	SPAIN - Red Eléctrica de España Alternative routes for the France-Spain electricity interconnection through the Central Pyrenees. Economic feasibility, environmental impact and basic engineering studies: Spanish share.	710	50	355
E40/96	(d14)	FINLAND - IVO Transmission Services Ltd Increased utilisation of the existing HVDC electricity interconnection (submarine cable) Finland-Sweden. Feasibility and technical studies, including laboratory tests : Finnish share.	450	50	225
E46/96	(d14)	SWEDEN - Svenska Kraftnät Increased utilisation of the existing HVDC electricity interconnection (submarine cable) Finland - Sweden. Feasibility and technical studies, including laboratory tests : Swedish share.	650	50	325
E52/96	(d11)	NETHERLANDS - N.V. Samenwerkende elektriciteits-produktiebedrijven (Sep) Electricity interconnection (submarine cable) Netherlands - Norway. Studies for electrode design and evaluation of reliability and availability, including submarine cable tests.	3,000	50	1,500
E55/96	(d14)	FINLAND - Teollisuuden Voimansiirto Oy Increasing electricity transmission capacity between South of Finland and Russia (St Petersburg area). Preparatory, feasibility and technical studies, including the follow-up of environmental aspects.	480	50	240
E62/96	(b7)	FRANCE - Electricité de France Alternative routes for the France-Spain electricity interconnection through the Central Pyrenees. Economic feasibility, environmental impact and basic engineering studies : French share.	300	50	150

Registration number of the study	MEMBER STATE - COMPANY Identification of the project* subject of the study and main scope of the study	Maximum eligible cost of the study	Community financial support as percentage of the eligible cost	Maximum amount of the Community financial support
		(in ECU '000)	(in %)	(in ECU '000)
E63/96	(d14) GERMANY - PreussenElectra East-West High Power Electricity Transmission System - Baltic route. Study of the technical, economic, financial, legal and environmental aspects.	1,430	50	715
G12/96	(g8) SPAIN - ENAGAS Natural gas underground storage at Valle del Ebro (North-South axis). Preliminary seismic survey.	1,008	50	504
G13/96	(g8) SPAIN - ENAGAS Natural gas underground storage at Cuenca de Cantabria (North-South axis). Preliminary seismic survey.	1,008	50	504
G14/96	(g8) SPAIN - ENAGAS Natural gas underground storage at Brihuega (North-South axis). Drilling of one exploration well.	1,943	50	971.5
G15/96	(g8) SPAIN - ENAGAS Natural gas underground storage at Cerro Gordo (North-South axis). Preliminary seismic survey.	394	50	197
G16/96	(g1) IRELAND - Marathon International Petroleum Ireland Limited (MIPIL) Natural gas underground storage in "Kinsale Area". Feasibility and technical studies.	636	50	318
G17/96	(e6) GREECE - DEPA S.A. (Public Gas Corporation) Natural gas network on the island of Crete, including a LNG terminal. Feasibility, environmental and other studies.	1,940	50	970
G18/96	(g12) DENMARK - Dansk Naturgas A/S Extension of the natural gas underground storage at Stenlille. Tri-dimensional seismic survey.	3,424	50	1,712
	TOTAL	17,813	50	8,906.5

* Same reference as in the guidelines Decision (OJ N° L 161, 29.06.1996)

ANNEX V: TELECOMS PROJECTS FINANCED UNDER REGULATION 2236/95

A.1995 ISDN

Ref.	Title	Maximum EU Contribution (in ECU)
TI.1.1	Euro-label profiles: Desk-Top Multimedia Conferencing	740,150
TI.1.2	Migration strategies from Euro-ISDN onwards	491,100
TI.1.3	Euro-ISDN Bulletin Board	208,250
TI.1.6	Development of Euro-services: Euro Green Line, Euro Kiosk	320,500
TI.2.1	Euro-ISDN for an integrated public health care network	750,000
TI.2.2	Euro-ISDN to interconnect traffic information centres.	1,231,314
TI.2.3	European Tertiary Education network (I)	678,000
TI.2.3	European Tertiary Education network (II)	590,000
TI.2.3	European Tertiary Education network (III)	630,000
TI.2.5	Euro-ISDN as a platform for teleworking (I)	165,000
TI.2.5	Euro-ISDN as a platform for teleworking (II)	1029,000
TI.2.6	Electronic trading for SMEs using Euro-ISDN (I)	264,898
TI.2.6	Electronic trading for SMEs using Euro-ISDN (II)	984,250
TI.2.6	Electronic trading for SMEs using Euro-ISDN (III)	764,450
TI.2.6	Electronic trading for SMEs using Euro-ISDN (IV)	485,462
TI.2.7	Trans-regional learning using Euro-ISDN (I)	397,492
TI.2.7	Trans-regional learning using Euro-ISDN (II)	488,400
TI.2.8	Euro-ISDN awareness for SMEs	1,125,563
	TOTAL	11,371,929

B.1996 ISDN

Ref.	Acronym	Title	Maximum EU Contribution (in ECU '000)
41.02	INFCITIES	City information network	5 000
61.01	TELEPOLIS	Income for content through billing and clearing	1 530
71.03	TEN-TREND	Teleworking Remote Enterprise Network development	2 948
21.03	PAIDEIA	PAIDEIA in TEN-Telecom	495
31.02	MOSAIC	Methods and tools to create and maintain virtual museums	918
51.01	TAGIS	Trans-European access to Generic ISDN-based services	1 700
11.03	MEDSALUS	Euro-ISDN Professional tele-collaboration; the mediterranean network for health care knowledge sharing	513
51.02	NOPROBLEMS	Non proprietary reliable electronic mail systems	1 573
31.01	DCC	Common digital platform for cultural content	1 680
51.03	GTS	Global Telecommunication Services	440
61.05	DYP	Dynamic Yellow Pages	1 304
		TOTAL	18 101

ANNEX VI: IDA TELEMATIC PROJECTS FINANCED IN 1996¹⁶

<i>Service</i>	<i>Project</i>	<i>total budget</i>
DG I	SIGL - <i>exchange of product and license information</i>	850 000
DG I Total		850 000
DG VI	ANIMO - <i>animal movements</i>	150 000
DG VI	PHYSAN - <i>phyto sanitary control</i>	940 000
DG VI	SHIFT - <i>veterinary controls</i>	200 000
DG VI	FIS - IDES (<i>under Horizontal Generic Services</i>)	0
DG VI Total		1 290 000
DG XV	SIMAP - <i>electronic public procurement</i>	800 000
DG XV	Horizontal Activities - Legal, Contractual & QC (<i>under Horizontal Generic Services</i>)	300 000
DG XV Total		1 100 000
DG XXI	VIIES - <i>vat information exchange system</i>	2 100 000
DG XXI	CCN/CSI (<i>under Horizontal Generic Services</i>)	35 000
DG XXI	EXCISE CONTROL	20 000
DG XXI	QUOTA	300 000
DG XXI	SCENT CIS/FISCAL - <i>Customs and indirect taxation, agriculture</i>	1 000 000
DG XXI	TARIC - <i>Customs and indirect taxation, third country import/export</i>	850 000
DG XXI	EBTI - <i>European binding tariff information</i>	850 000
DG XXI	TRANSIT - <i>goods traffic</i>	400 000
DG XXI Total		5 555 000
Eurostat	EDICOM - <i>electronic data interchanges on commerce</i>	0

¹⁶ These figures are based upon a budget resulting from the assignment of ECU 6 million to the EDICOM programme and upon the assumption that ECU 7.5 million presently in reserve will be released by the European Parliament. Furthermore, due to the late adoption of the IDA decision a number of measures were carried forward from 1995 to 1996 for a total value of ECU 15.798 million. These measures are NOT included in the above table. The TEN financial regulation does not apply to the IDA programme.

Eurostat	DSIS - <i>distributed statistical information services</i>	1 800 000
Eurostat	EXTRACOM - <i>exchange of foreign trade statistics</i>	450 000
Eurostat	SERT - <i>company statistics</i>	600 000
Eurostat	Horizontal Activities (<i>under Horizontal Generic Services</i>)	200 000
Eurostat Total		3 050 000
All sectors	Horizontal Generic Services, including legal & security aspects	3 518 000
All sectors Total		3 518 000
DI	Implement.& support of horizontal actions at EC level	1 015 000
DI Total		1 015 000
AGENCY	European Medicine Evaluation Agency	0
AGENCY	European Monitoring Centre on Drugs	225 000
AGENCY	Translation Centre	0
AGENCY	European Environment Agency	0
AGENCY	RESMA - <i>Trademarks</i>	0
AGENCIES Total		225 000
DG IV	FOURCOM	400 000
DG IV Total		400 000
DG V	TESS (SOSENET) - <i>telematics for social security</i>	700 000
DG V	EURES - <i>employment database</i>	737 000
DG V	CARE - <i>disease control and monitoring</i>	400 000
DG V Total		1 837 000
DG X	Illegal Traffic of Cultural Goods	0
DG X Total		0
DG XIV	FIDES - <i>fisheries data exchange</i>	250 000
DG XIV Total		250 000
SG	Communication & Mgmt. of Official Documents (Trilogue)	1 200 000
SG	REITOX - <i>Drugs and Drug Addiction</i>	0
SG Total		1 200 000

DG III/B/6	Awareness & Promotion	260 000
DG III/B/6	Coordination & Support	200 000
DG III/B/6	Practical Intro. of Electronic Mail based on X.400	150 000
DG III/B/6	Horizontal Activities - Generic Services	0
DG III/B/6	Horizontal Activities - Architecture ...TESTA	3 100 000
DG III/B/6	Horizontal Activities - Legal, Contractual & QC	0
DG III/B/6 Total		3 710 000
Grand Total		24 000 000

ANNEX VII: TRANSPORT PROJECTS FINANCED UNDER REGULATION 2236/95

A. 1995

Title of supported project/study	P/S ¹⁷	Mode ¹⁸	Support ¹⁹ 1995
I. TEN SPECIFIC PROJECTS			
1. HST/Combined transport Berlin-Verona			
Studies on the Brenner axis for the improvement of the economic and financial feasibility of the München-Verona link	S	R	0.800
Feasibility studies on the Brenner axis for new access routes to the Brenner base tunnel (in Italy)	S	R	1.730
Planning and design studies for the Brenner axis: Lower Inn Valley section	S	R	6.500
Brenner axis (project): Lower Inn Valley section, construction of 3rd and 4th track between Kufstein and Baumkirchen	P	R	0.500
Upgrading of the Berlin - Halle/Leipzig railway line	P	R	24.900
<i>Total for PP N°1</i>			34.430
2. HST PBKAL			
TGV - PBKAL-Belgium (interest rebates)	P(IR)	R	20.000
Technical and design studies for the PBKAL-NL	S	R	6.000
Feasibility study on the Channel Tunnel Rail Link	S	R	17.000
<i>Total for PP N°2</i>			43.000
3. HST South			
Study on the TGV Madrid-Barcelona-Perpignan-Montpellier: section Madrid-Barcelona-French border	S	R	4.950
Study on the TGV South: railway line Spain- France Atlantic side (Vitoria -Dax)	S	R	0.500
Study on the TGV South: railway line Languedoc-Roussillon	S	R	0.500
<i>Total for PP N°3</i>			5.950
4. HST East			
Technical studies APS for the HST-EST European	S	R	22.000
<i>Total for PP N°4</i>			22.000
5. Betuweline			
Technical and design studies for the Betuwe line	S	R	7.000
<i>Total for PP N°5</i>			7.000
6. HST/Combined Transport France-Italy			
Studies for the HST/Combined transport line Turin-Milan-Verona-Venice	S	R	10.179
Study on the international transalpine connection between Lyon and Turin.	S	R	6.000
<i>Total for PP N°6</i>			16.179

¹⁷ P = projet; S = Study

¹⁸ R = Rail; C = Combined transport; M = roads; A = Airports; S = Sea/ports; T = Traffic management; V = Vessels; G = Satellites.

¹⁹ MECU

7. Greek Motorways			
Road study "Makri - Industrial area of Alexandroupolis" (EGNATIA)	S	M	1.750
Studies for the Maliakos fixed link (Consultant Services for the preparation of the future concession - PATHE)	S	M	2.500
Road Study "Tempi Valley Exit - Skotina Intersection" (PATHE)	S	M	1.000
Road study "Girtoni - Tempi Valley entrance" (PATHE)	S	M	0.750
<i>Total for PP N°7</i>			6.000
10. Malpensa Airport			
Malpensa 2000	P(IR)	A	1.800
<i>Total for PP N°10</i>			1.800
11. Oresund link (rail/road) Denmark-Sweden			
Studies for the Danish access routes to the Oresund fixed link	S	R/M	5.000
Design studies and environmental studies and monitoring			
Studies for the Oresund fixed link	S	R/M	10.000
<i>Total for PP N°11</i>			15.000
12. Nordic Triangle			
Financial, socio-economic and environmental studies on the Nordic Triangle in Finland	S	M,R,P	0.053
Studies on rail infrastructure of the Nordic Triangle in Finland	S	R	1.260
Studies on the road part of the Nordic Triangle in Finland (E 18)	S	M	1.928
Construction and improvement of railway link of the Nordic Triangle in Finland	P(IR)	R	0.680
Construction and improvement of road sections (E 18) of the Nordic Triangle in Finland	P(IR)	M	0.965
Study on the development of Finland's Sea Infrastructure	S	S	0.210
Study on the traffic management system on TERN in Finland	S	TM	0.454
Feasibility Study for upgrading/re-alignment of sub-sections of Stockholm-Malmö railway line (Planning phase)	S	R	0.665W
Studies on Göteborg-Mellerud-Korsjö railway line (upgrading of three sub-sections)	S	R	0.555
Upgrading of Malmö-Göteborg railway line for high-speed, including doubling of track (project)	P	R	5.280
<i>Total for PP N°12</i>			12.050
13. Ireland-UK-Benelux road link			
Studies in England and Northern Ireland on the Ireland-UK-Benelux road link.	S	M	2.000
<i>Total for PP N°13</i>			2.000
14. West Coast main line			
Feasibility study and associated design work for the modernisation of the West Coast MainLine, and consideration of the implications of interoperability and inter-modal freight operations	S	R	8.600
<i>Total for PP N°14</i>			8.600
Command Control pilot project for HST network			
Feasibility study on ERTMS (European Rail Traffic Management System) for harmonisation at the European level of safety and rail traffic management.	S	T,R	7.500
<i>Total for Control command project</i>			7.500
TOTAL SPECIFIC PROJECTS			181.509
II. TRAFFIC MANAGEMENT AND OTHER PROJECTS			
1. Air traffic management			
New North West Monopulse Secondary Surveillance Radar	P	T,A	0.190
Data and Transmission Facilities	P(IR)	T,A	0.230
Replacement /Upgrading Radar systems	P(IR)	T,A	0.240
Replacements of Shanwick High Frequency Transmitters/Receivers	P	T,A	0.330

Installation of Monopulse Secondary Surveillance Radar (MSSR) at Porto Santo	P	T,A	0.310
Installation of Monopulse Secondary Surveillance Radar (MSSR) Porto	P	T,A	0.300
Improvement of data networkS to fulfil EUROCONTROL Standards	P	T,A	0.500
Transmission and Receiving systems	P(IR)	T,A	0.500
Conventional Secondary Surveillance Radar Upgrading to Monopulse (MSSR)	P	T,A	0.650
Radar 2000	P	T,A	0.850
Upgrade of Radar Coverage	P	T,A	2.000
Study for a North European Automatic Dependant Surveillance Broadcast (ADS-B) Network	S	T,A	2.000
Study for Pre-Operational Mode-S station	S	T,A	8.000
<i>Total for Air traffic management</i>			<i>16.100</i>
2. Road traffic management			
Traffic Management Centre in Ludwigsburg	P	T,M	0.260
Study for Traffic Management on the TERN in the Netherlands	S	T,M	0.050
Traffic Management on the TERN in the Netherlands	P	T,M	0.268
Study for the integrated Control and Information System for traffic on the motorway network of the Grand Duché of Luxembourg	S	T,M	0.300
Study on the national integration of the European guidelines for traffic monitoring	S	T,M	0.470
Study for the control and information road traffic system on the Portuguese trans European Road network	S	T,M	0.350
Demonstration of RDS/TMC on accesses to Madrid	P	T,M	0.410
Study for the demonstration of the RDS/TMC service in the area of Madrid	S	T,M	0.135
Study for the implementation of RDS-TMC service in the Spanish part of the TERN	S	T,M	0.185
Feasibility study on the European Data Exchange Network between traffic information centres on the trans-European road network	S	T,M	0.400
Study for the Central European Road Telematics Implementation Concertation	S	T,M	0.400
Study for the South Europe Road Telematics Implementation	S	T,M	0.400
Study for the national RDS-TMC implementation in the United Kingdom and its interconnexion across national frontiers	S	T,M	0.450
Study for the creation of a traffic information and control center in the Walloon Region	S	T,M	0.500
Study for transport telematics implementation project in Flanders	S	T,M	0.500
Study on harmonisation of levels of services and organisational measures (Road Traffic Management)	S	T,M	0.500
Study for the creation on an European Centre for electronic fee collection qualification (Road Traffic Management)	S	T,M	0.100
Study for the completion of the traffic information centres network in Spain	S	T,M	0.180
Completing the network of the Traffic Management Centers	P	T,M	0.740
Study on the RDS/TMC Information Service on TERN in Italy	S	T,M	0.930
Installation of advanced signalling and management systems in the M-40 ring motorway around Madrid	P	T,M	1.700
Study for the implementation of advanced signalling and management systems in the M-40	S	T,M	0.600
Implementation of the National Traffic Management Master Plan	P	T,M	2.480
Study on the European coordination for the implementation of the RDS-TMC traffic information services	S	T,M	3.680
Study for the adaptation of RDS - TMC in Germany	S	T,M	0.110
<i>Total for Road traffic management</i>			<i>16.098</i>
3. Maritime traffic management			
Study for the ship reporting and information system Northsea	S	T,V	0.120

Ship reporting and information system Northsea (implementation)	P	T,V	0.040
Study for the Ship Reporting System 93/75/EEC	S	T,V	0.064
Ship Reporting System 93/75/EEC (implementation)	P	T,V	0.038
Study for the implementation of the VTMS in Greece	S	T,V	0.400
VTS - improvements (Midlife conversion of VTS Rotterdam)	P	T,V	0.450
Etude de mise à niveau des CROSS et des VTS portuaires pour l'intégration dans le réseau transeuropéen VTMS	S	T,V	0.205
Etude préalable à la mise à niveau des systèmes de traitement des informations radar et de gestion des radiocommunication des CROSS	S	T,V	0.415
VTS System implementation in the Messina Strait (TRITON)	P	T,V	1.001
Studies for the TEDIM (Baltic Sea Telematic Platform)	S	T,V	0.530
<i>Total for Maritime traffic management</i>			3.263
4. GNSS			
Feasibility study for the provision of navigation and positioning services through the use of INMARSAT III navigation transponders	S	T,G	9.500
<i>Total for GNSS</i>			9.500
5. Other Projects			
Luxembourg Airport Motor Testing Platform (project)	P	A	0.790
Feasibility Study on the multimodal system Adriatic Corridor	S	R/M/P	1.000
Study on modernization of Northern line	S	R	1.640
Improvement of the railway link Groningen-Leer	P	R	1.500
Study (first phase) of the Milano-Ventimiglia line, section S. Lorenzo-Finale	S	R	2.000
Preliminary studies for the design for the connection of the railway line with the Gottard (Milano - Chiasso)	S	R	2.600
Feasibility Study on the Fehmarn Belt fixed link	S	R/M	2.000
Feasibility Study on the Fehmarn Belt fixed link	S	R/M	2.000
<i>Total for Other Projects</i>			13.530
TOTAL FOR TRAFFIC MANAGEMENT AND OTHER PROJECTS			58.491
GRAND TOTAL			240.000

B. 1996

The Commission will adopt the list of projects by the end of the year.

Brenner: Inn Valley section studies	S	R	8.5000 MECU
Legal and financial studies on München-Verona axis: AU,D,I; (AU coordinates)	S	R	1.5000 MECU
HST North-South Berlin-Nürnberg-München-Verona; Sections:Arnstadt-Erfurt and Gröbers-Leipzig	P	R	15.5000 MECU
Feasibility studies on the Brenner axis for new access routes to the Brenner base tunnel	S	R	1.5000 MECU
<i>Total Project N°1</i>			<i>27.0000 MECU</i>
2. HST PBKAL			
HST PBKAL; Section Raunheim-Frankfurt	P	R	20.0000 MECU
Feasibility study on the Channel Tunnel Rail Link	S	R	25.0000 MECU
<i>Total Project N°2</i>			<i>45.0000 MECU</i>
3. HST SOUTH			
Study on the HST South: Madrid-Vitoria-Dax, section Y Vasca	S	R	0.3235 MECU
Study on the HST South: feasibility and executive study Catayud-Ricla; executive study for Lleida-Barcelona and rest of Madrid-Zaragoza	S	R	1.7265 MECU

Studies on HST South - Languedoc-Roussillon: Perpignan-Spanish border	S	R	3.7800 MECU
Studies on HST South - Languedoc-Roussillon: Montpellier-Perpignan	S	R	0.5200 MECU
Total Project N°3			6.3500 MECU
4. HST EAST			
HST East: Saarbrücken-Mannheim and Kehl-Appenweier	P	R	5.0000 MECU
HST East -Etudes techniques d'avant projet détaillé	S	R	11.4000 MECU
Total Project N°4			16.4000 MECU
5. Betuweline			
Betuweline Study 1996	S	R	10.0000 MECU
Total Project N°5			10.0000 MECU
6. HST/Combined Transport France-Italy			
Studies on the HST/ Combined Transport Lyon-Torino:Lyon-Montmélian	S	R	4.0000 MECU
Studies on the HST/ Combined Transport Lyon-Torino:Montmélian-Turin	S	R	8.8000 MECU
Studies for the HST Lyon-Trieste:section Torino-Milano-Verona-Venezia-Trieste	S	R	22.0000 MECU
Studies on the international transalpine connections between Torino-Lyon	S	R	2.0000 MECU
Total Project N°6			36.8000 MECU
7. Greek Motorways			
PATHE:Elefsina -Stavros-Spata airport motorway and Imitos Western peripheral motorway	P	M	7.9100 MECU
Road studies of Patras by pass; road links with the new port and the city of Patras (techn. studies-PATHE)	S	M	0.1000 MECU
Access to Via Egnatia: Road study "Siatista-Kristallopigi"	S	M	0.2500 MECU
Study for electronic toll collection on toll motorways in Greece (PATHE / EGNATIA)	S	M	0.1500 MECU
Total Project N°7			8.4100 MECU
8. Lisbon-Valladolid			
Studies on the road axis Lisbon-Vilar Formoso	S	M	2.2500 MECU
Studies on the modernisation of the Northern Line	S	R	1.1000 MECU
Total Project N°8			3.3500 MECU
10. Malpensa Airport			
Malpensa 2000 Airport	P (IR)	A	2.0000 MECU
Total Project N°10			2.0000 MECU
11. Oresund link (rail/road) DK-SW			
Øresund fixed link: all works	P (IR)	R/M	9.0000 MECU
Danish access routes	P (IR)	R/M	4.2000 MECU
Studies for Traffic Management on the motorway link to Oresund	S	M,T	0.5000 MECU
Studies for Swedish access routes to Oresund	S	R/M	3.5000 MECU
Total Project N°11			17.2000 MECU
12. Nordic Triangle			
Studies on road sections (E18) in the Nordic Triangle in Finland	S	M	1.2000 MECU
Construction and improvement of road E18 (Finland)	P (IR)	M	2.5000 MECU
Implementation of Traffic Management systems for TERN in Finland	P	M,T	0.2080 MECU
Studies for Traffic Management systems for TERN	S	M,T	0.5000 MECU

Construction and improvement of railways in the Nordic Triangle in Finland	P	R	5.0250 MECU
Studies on railways in the Nordic Triangle in Finland	S	R	0.4750 MECU
Vessel traffic service networks in Finland	P	V,T	0.7000 MECU
Studies on the development of Finland's Sea Infrastructure	S	S	0.3070 MECU
Development of Port Infrastructure in the Nordic Triangle	S	P	0.1850 MECU
Study on Stockholm Arlanda Airport (runway) Nordic Triangle	S	A	1.1250 MECU
Feasibility study for upgrading and tunnel covering of E6 Mölndal (Nordic Triangle)	S	M	0.2870 MECU
Feasibility study for upgrading of railway section: Sodra-Stambanen (Nordic Triangle)	S	R	4.5030 MECU
Feasibility study for upgrading of the railway line Göteborg-Kornsjo (Nordic Triangle)	S	R	1.6500 MECU
Study on the Nordic Triangle: Trelleborg intermodal terminal	S	P	0.0500 MECU
Study on the Nordic Triangle: Port of Stockholm and Norvik development project	S	P	0.0850 MECU
Study on the Nordic Triangle: Göteborg ferry lines terminal	S	P	0.1750 MECU
Total Project N°12			18.9750 MECU
13. Ireland-UK-Benelux road link			
Study on the Newry-Dundaik cross border road link	S	M	0.3250 MECU
Three English studies on the IRL-UK-Benelux road link: Bridge Assessment study; A14 route strategy study; M6/M11 capacity studies	S	M	1.7000 MECU
Study on ROADLINK Network - Real Time Traffic Information	S	M,T	0.3000 MECU
Total Project N°13			2.3250 MECU
14. West Coast main line			
West Coast Main Line-Works	P	R	4.8000 MECU
West Coast Main Line-Studies	S	R	2.4000 MECU
Total Project N°14			7.2000 MECU
ERTMS			
ERTMS (European Rail Traffic Management System) Feasibility study	S	T,R	10.2250 MECU
Total Project ERTMS			10.2250 MECU
Total Priority Projects + ERTMS			211.2350 MECU
II. Traffic Management and other projects			
1. Air traffic management			
Radarsystems - upgrade	P	A,T	0.7400 MECU
ATN Trials Infrastructure in Germany	S	A,T	3.8000 MECU
SACTA Phase III	P	A,T	1.0000 MECU
Study for ATN Trials Infrastructure	S	A,T	5.4000 MECU
Study for the development of Air Situation Display	S	A,T	3.1500 MECU
Study on the technical and operational problems related to the implementation of the 8.33 KHZ VHF (ATM)	S	A,T	0.1000 MECU
Study on the Installation of ARTEMIS	S	A,T	1.3000 MECU
Implementation of the National aeronautical data network	P	A,T	0.5500 MECU
Automatic Dependant Surveillance/Controller Pilot Data Link Communications study	S	A,T	0.1560 MECU
Enhancement and replacement of radar systems	P	A,T	0.8300 MECU
New Lisbon ATM and Voice communications control systems-GETALIS	P	A,T	1.2000 MECU
ATN Implementation feasibility studies	S	A,T	0.7450 MECU
Total ATM Projects			18.9710 MECU
2. GNSS			
GNSS, phase 2, Experimental programme Braunschweig studies	S	G,T	0.7000 MECU
GNSS, phase 2, SATNAV Differential Station Frankfurt a.M. study	S	G,T	0.5120 MECU

Feasibility study for the implementation of a navigation by satellite network	S	G,T	9.5000 MECU
Installation of Differential GNSS network in NL	P	G,T	0.0910 MECU
Total GNSS Projects			10.8030 MECU
3. Road traffic management			
Cross Border Route Guidance System Nuremberg - Prague / Linz - Prague study	S	M,T	0.4500 MECU
Completing the network of Traffic Management Centres in Spain	P	M,T	0.8550 MECU
Implementation of the National Traffic Management Master Plan : Dynamic signalling and RDS-TMC in the TERN in Spain	P	M,T	0.9000 MECU
Study on traffic management and information services in the Central European area (CENTRICO) (B,NL,D,F)	S	M,T	5.2855 MECU
Implementation of traffic management and information services in the Central European area (CENTRICO) (B,NL,D,F)	P	M,T	2.1610 MECU
Study on traffic management and information services on the TERN in the SERTI area (D, F, I, E)	S	M,T	3.2825 MECU
Implementation of traffic management and information services on the TERN in the SERTI area (D, F, I, E)	P	M,T	0.2205 MECU
VIKING-Study for coordinated road traffic management implementation in Northern Europe (D, DK, SW, SU)	S	M,T	0.8750 MECU
CORVETTE-Study for the coordination and validation of the deployment of advanced transport telematic systems in alpine areas (D, A, I)	S	M,T	0.6000 MECU
Study on ITS City Pioneers (Erico)	S	M,T	0.5000 MECU
Implementation of the National Traffic Management Master Plan (SDER)	P	M,T	2.5000 MECU
Demonstration and installation of RDS-TMC information services on the TERN in the Northern part of Italy.	P	M,T	0.5000 MECU
Study of National RDS-TMC implementation in the UK and its inconnexion across national frontiers	S	M,T	0.3000 MECU
Total Road TM Projects			18.4295 MECU
4. Maritime traffic management			
Study on Traffic monitoring horizon 2005 (France)	S	V,T	0.0175 MECU
Renewal of the radar data processing equipment of VTS centres in the Channel	P	V,T	0.1390 MECU
Midlife conversion of Rotterdam VTS	P	V,T	0.7600 MECU
Ship reporting system study: NL coordinates (NL, B, D, SF, E, F)	S	V,T	0.4000 MECU
European Coastal VHF DSC Infrastructure GMDSS	P	V,T	0.1250 MECU
Total Maritime TM Projects			1.4415 MECU
5. Other projects			
Pontebbana axis: Semmering base tunnel	P	R	1.0000 MECU
Seine - Schelde (Escaut) inland waterways based combined transport study	S	I	1.5000 MECU
Socio-economic study of the maritime accessibility of the ports of Ghent and Terneuzen	S	P	0.5000 MECU
Feasibility study-Tunnel under the Warnow (Hansestadt Rostock)	S	M	2.0000 MECU
Feasibility study on the Nordlandkai Lübeck	S	P	0.0500 MECU
Feasibility study for the HST Copenhagen-Aalborg-Rodby	S	R	0.4000 MECU
Aalborg East Harbour	S	P	0.2500 MECU
Environmental assessment for the extension of the Port of Aarhus	S	P	0.1000 MECU
Study on the Med. motorway: Nerja-Motril	S	M	4.0000 MECU
Study on the Lleida-Barcelona motorway:Cervera	S	M	1.0000 MECU
Study on the M50 Madrid Ring	S	M	2.2500 MECU
Study on the Albacete-Murcia motorway	S	M	2.0000 MECU
Feasibility study for extension and development in the port of Valencia	S	P	0.5000 MECU
EU study for RADEF (Road Administration Exchange) (B coordinates)	S	M	0.4150 MECU
Studies for the Port 2000 Le Havre	S	P	0.4000 MECU
Study for the Saint Malo Port	S	P	0.1000 MECU

Feasibility study for the multimodal transport system Adriatic corridor (3 main ports: Igoumenitsa, Patra, Iraklion)	S	P	0.3400 MECU
Bologna Airport: 2 studies	S	A	0.4000 MECU
Studies for the reorganization of the road access to the Marghera/Venice port area	S	P	0.1400 MECU
Luxembourg Airport terminal	S	A	0.2500 MECU
Scandinavia Logi-link extension studies, Port of Terneuzen	S	P	0.2250 MECU
Studies for TEDIM (Baltic Sea telematic platform)	S	R/P	0.5000 MECU
Studies for the modernisation of the Great Western lines - route strategy	S	R	0.8000 MECU
<i>Total Other Projects</i>			<i>19.1200 MECU</i>
<i>Total Traffic Management and Other Projects</i>			<i>68.7650 MECU</i>

GRAND TOTAL

280 MECU

ANNEX VIII: MAJOR TEN PROJECTS FINANCED BY THE REGIONAL AND COHESION FUNDS IN 1996

A. Essen specific projects - Cohesion Fund financing

Commitments and applications for grant

PROJECT	Commitments 1993-1996				total 93-96	Grant applied for ²⁰
	1993	1994	1995	1996		
	<i>Mecu</i>	<i>Mecu</i>	<i>Mecu</i>	<i>Mecu</i>	<i>Mecu</i>	<i>Mecu</i>
No 3. High Speed Train South						
Madrid-Barcelona-Perpignan	8.02	0.00	0.00	0.00	8.02	337.04
Madrid-Vitoria-Dax	0.00	0.00	0.00	0.00	0.00	0.00
Total project No 3.	8.02	0.00	0.00	0.00	8.02	337.04
No 7. Greek Motorways						
Patras-Athens-Thessaloniki	45.35	13.06	0.00	0.00	58.41	354.07
Via Egnatia	26.42	9.21	40.74	0.00	76.36	506.46
Total project No 7.	71.77	22.27	40.74	0.00	134.7	860.53
No 8. Lisbon-Valladolid motorway						
Portuguese section	23.82	28.80	0.00	0.00	52.62	0.00
Spanish section	0.00	0.00	0.00	0.00	0.00	0.00
Total project No 8.	23.82	28.80	0.00	0.00	52.62	0.00
No 9. Cork-Dublin-Belfast-Larne rail link						
Line upgrading	11.87	20.60	21.47	0.00	53.94	0.00
No 13. Ireland/UK/Benelux						
N1/N7 road corridor in Ireland	8.50	40.19	30.83	27.07	106.5	40.00
TOTAL SPECIFIC PROJECTS	123.9	111.8	93.04	27.07	355.9	1237.56

²⁰ Grant requested by Member State authorities in applications received up to September 1996 (includes total amount of assistance from Cohesion Fund foreseen over the period to 1999).

B.1. The Regional Fund

Energy:

Gas	eligible cost (MECU)	ERDF grants (MECU)	Period	Ref
SPAIN:	525.24	208.88		
CSF:	325.24	128.88		
"Estrecho Gibraltar-Tarifa-Córdoba"	224.52	89.91	94-97	
Network Campo Gibraltar and Jérez	23.00	9.20	94-97	
Instalaciones GNL Huelva	18.20	7.28	94-96	
Gasoduct Valencia-Cartagena (1st phase)	59.52	22.49	94-96	
INTERREG II B (Interconnection with Portugal)	200.00	80.00	94-99	
GREECE:	1275.40	534.60		
Introduction of natural gas in Greece ²¹ , from Russia and Algeria, of which:	1275.40	534.60		
CSF 1994-1999	825.40	354.60	94-99	
Initiative INTERREG II B	450.00	180.00	94-99	
PORTUGAL:	565.16	237.00		
<i>Natural gas network:</i>				
INTERREG II B	348.16	140.00	94-99	
CSF	217.00	97.00	94-99	
UK:				
TOTAL:	2624.80	1071.18		

²¹ including low pressure distribution systems in Greece

Electricity	eligible cost (MECU)	ERDF grants (MECU)	Period	Ref
GREECE				
REGEN-Cable	50.00	20.00	94-99	
ITALY:				
REGEN	149.05	31.00	92-96	
INTERREG II B	139.43	55.77	94-99	
UK:				
CSF Sub-programme - electricity interconnector N. Ireland - Scotland	252.72	86.48	94-99	
TOTAL:	591.20	193.25		

Telecommunications:

Public networks	eligible cost (MECU)	ERDF grants (MECU)	Period	Ref
GREECE:				
OP Telecom CCA II	322.00	173.00	94-99	

Transport:

Roads	eligible cost (MECU)	ERDF grants (MECU)	Period	Ref
SPAIN:				
O.P. Castilla y León	666.77	433.40	94-99	N° 94.11.09.006 c(94)3043/3 du 25/11/94
of which :	666.77	433.40	94-99	
Motorway Lisboa-Valladolid PP8	179.37	116.59	94-99	
GREECE:				
PATHE (Patra-Korinth-Athens-Thessaloniki) PP7	600.00	352.00	94-99	
VIA EGNATIA PP7	826.00	495.00	94-99	

IRELAND:	120.20	90.00		
Cork - Portlaoise (N8) <i>PP13</i>	15.60	11.70	95-99	
Cork - Wexford (N24)	28.70	21.50	94-96	
Limerick -Portlaoise- Dublin	75.90	56.80	94-96	
ITALY:				
OP Road infrastructure:	490.00	245.00	94-99	ERDF 940509016
<i>Messina-Palermo</i>	<i>100.00</i>	<i>50.00</i>		
<i>Salerno-Reggio Calabria</i>	<i>155.00</i>	<i>77.50</i>		
<i>Cagliari-Sassari</i>	<i>84.50</i>	<i>42.25</i>		
<i>Bari-Otranto</i>	<i>42.50</i>	<i>21.25</i>		
<i>Brindisi-Lametia Terme</i>	<i>108.00</i>	<i>54.00</i>		
UK:				
OP Road infrastructure:	-	37.23	94-99	
<i>Dublin-Belfast</i>		<i>24.81</i>	94-99	
<i>Other Northern Ireland</i>		<i>12.42</i>	94-99	
TOTAL:	2702.97	1652.63		

Conventional Rail	eligible cost (MECU)	ERDF grants (MECU)	Period	Ref
GREECE:				
Athens-Thessaloniki	293.00	176.00	94-99	
ITALY				
OP Rail Transport	1756.00	704.00	94-99	
UK:				
Total Rail:	-	53.92		
<i>Belfast-Dublin</i>		<i>46.53</i>	94-99	
<i>Other Northern Ireland</i>		<i>7.39</i>	97-99	
TOTAL:	2049.00	933.92		

Airports	eligible cost (MECU)	ERDF grants (MECU)	Period	Ref
<i>IRELAND:</i>				
Global upgrading Dublin-Cork-Shannon	14.80	7.40	95-97	C(94) 1971/3

Ports	eligible cost (MECU)	ERDF grants (MECU)	Period	Ref
<i>GREECE:</i>				
Port of Patras	44.00	26.00	94-99	
Port of Volos	13.00	8.00	94-99	
Port of Rhodes	8.00	5.00	94-99	
Port of Souda	4.00	2.00	94-99	
<i>IRELAND:</i>				
Dublin (Bulk storage facility)	3.70	1.90	96-97	C(94) 1771/3
Ringaskiddy (idem)	3.70	1.90	96-97	C(94) 1771/3
TOTAL:	76.4	44.80		

TOTAL TRANSPORTS	4843.17	2638.75		
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ANNEX IX : EIB LOANS FOR TEN AND TEN-RELATED PROJECTS

EIB PROJECTS (ECUm)	Loans approved	Finance contracts signed					Total
		<93	93	94	95	96	
1. PRIORITY PROJECTS (Essen European Council)	8 079	642	1180	1137	1603	924	5485
HIGH SPEED TRAIN/COMBINED TRANSPORT NORTH SOUTH (DE/AT/IT)	384				350		350
HIGH SPEED TRAIN PBKAL (FR/BE/DE/NL/UK)	1 786	477	370	286	230	119	1481
HIGH SPEED TRAIN SOUTH (ES/FR)							
HIGH SPEED TRAIN EAST (FR/DE/LX)							
BETUWE LINE / COMBINED TRANSPORT (NL/DE)							
HIGH SPEED TRAIN/COMBINED TRANSPORT FRANCE-ITALY (FR/IT)							
GREEK MOTORWAYS (GR)	1 389	61	109	143	34	10	357
PORTUGAL-SPAIN MOTORWAY (PT/ES) - wider project	2 060	104	701	534	598	66	2003
RAIL LINK CORK-DUBLIN-BELFAST-[LARNNE-STRANRAER] (IE/UK)	44				44		44
MALPENSA AIRPORT (IT)	295			104	20		124
FIXED RAIL/ROAD LINK BETWEEN DENMARK AND SWEDEN (DK/SE)	688				128	312	440
NORDIC TRIANGLE (NO/SE/FI)	1 332			60	149	417	626
IRELAND - UNITED KINGDOM - BENELUX ROAD LINK (UK/IE)	131			11	50		61
WEST COAST MAIN LINE (UK)							
2. FURTHER PROJECTS OF IMPORTANCE (Essen European Council)	3 458		425	314	274	250	1263
2.1 Projects in the European Union	2 958		176	176	234	250	838
2.2 Projects with neighbouring countries	500		247	138	40		425
3. OTHER TRANS-EUROPEAN NETWORKS PROJECTS	7 783		347	626	1434	1055	3462
3.1 Trans-European road network	3 168		100	260	413	633	1406
3.2 Trans-European rail network	3 096			182	583	417	1182
3.3 Trans-European port network	460		23	32	299	5	359
3.4 Trans-European airport network	1 059		224	152	139		515
4. PROJECTS IN CENTRAL AND EASTERN EUROPE	1 292		222	259	230	261	972
4.1 Road corridors	812		168	153	176	245	742
4.2 Rail corridors	216					16	16
4.3 Ports	69			15	54		69
4.4 Airports and ATC	195		54	91			145
TOTAL	20 612	642	2174	2336	3541	2490	11182

EIB PROJECTS (ECUM)	Loans approved	Finance contracts signed					Total
		<93	93	94	95	96	
1. PRIORITY PROJECTS (Essen European Council)	2 248	7	200	315	523	593	1 638
1.1 Projects in the European Union	1 261	7		153	333	250	744
ELECTRICAL INTERCONNECTION GREECE - ITALY	100						
ELECTRICAL INTERCONNECTION FRANCE - ITALY							
ELECTRICAL INTERCONNECTION FRANCE - SPAIN							
ELECTRICAL INTERCONNECTION SPAIN - PORTUGAL	57				6	50	56
EAST - WEST ELECTRICAL INTERCONNECTION DENMARK							
NATURAL GAS NETWORK GREECE	526	7				200	207
NATURAL GAS NETWORK PORTUGAL	354			153	102		255
GAS INTERCONNECTION PORTUGAL - SPAIN	224				224		224
1.2 Projects with neighbouring countries	987		200	161	190	343	894
GAS PIPELINE ALGERIA - MOROCCO - EUROPEAN UNION	641		200	162	190		552
GAS PIPELINE RUSSIA - POLAND - EUROPEAN UNION	346					343	343
2. FURTHER PROJECTS OF IMPORTANCE (Essen European Council)							
2.1 Projects in the European Union							
2.2 Projects with neighbouring countries							
3. OTHER TRANS-EUROPEAN NETWORKS PROJECTS	2 195		160	402	222	474	1 258
3.1 Trans-European electricity network	811		160	142	91	49	442
3.2 Trans-European gas network	1 384			260	131	425	816
	4 443	7	360	716	745	1 067	2 896

EIB PROJECTS (ECUM)	Loans approved	Finance contracts signed					TOTAL
		<93	93	94	95	96	
1. PROJECTS IN THE EUROPEAN UNION	6 462		666	2 100	839	1 063	4 668
1.1 Networks and Trunk Exchanges	5 136		615	2 006	786	368	3 775
1.2 Mobile Telephony	1 005		51	72	53	395	571
1.3 Satellites and Stations	321			22		300	322
2. PROJECTS WITH NEIGHBOURING COUNTRIES	695		110	300	130		540
2.1 Networks and Trunk Exchanges	680		110	300	130		540
2.2 Mobile Telephony	15						
2.3 Satellites and Stations							
TOTAL	7 157		776	2 400	969	1 063	5 208

ANNEX X : "THE LIKELY MACROECONOMIC AND EMPLOYMENT IMPACT OF INVESTMENTS IN TRANS-EUROPEAN TRANSPORT NETWORKS"

Executive Summary

There has been increasing interest recently in the likely economic and employment effects of investments in Trans-European Infrastructure Networks. This report attempts a first tentative assessment of these impacts of the construction of one component of the networks, namely the Trans-European Transport Network (T-TEN). In order to clarify the issues involved, two cases were analysed: firstly, the completion of the 14 projects agreed at the Essen European Council, constituting an estimated remaining investment volume of about 90 billion ECU; secondly, the realisation of the transport TENs as outlined in the Community guidelines (COM(94)106 final), for an estimated 400 billion ECU. The following points emerge from this analysis:

- The macroeconomic effects of the completion of the Essen projects are highly positive: the cumulative gain in GDP would exceed 560 billion ECU by the year 2030. This represents a socio-economic return of about 11%. There are very few public expenditures that give such a consistently high rate of return over such a long period of time. The rapid completion of the Essen projects would thus give an important boost to the competitiveness of the European economy.
 - The employment effects can be separated into two distinct aspects: temporary employment gains during the construction period, and permanent increases in employment during the operation period.
 - According to the tentative estimates presented in this report, the completion of the Essen T-TENs would create additional employment of 700,000 man years during the first decade (1998-2007). The construction of the full T-TENs as set out in the Community guidelines would lead to an increase in employment of some 3,200,000 man years.
 - Permanent jobs derive from the increased economic activity resulting from the use of the completed network. As pointed out already, this increase is likely to be very significant. The extent to which jobs are created, however, very much depends on the degree to which productivity gains flow into either higher wages or job creation. On the assumption that most of the productivity gains are taken in real wages – a cautious hypothesis which is based on historical trends – the range of estimates for long term employment effects in the economy as a whole is between 130,000 and 230,000 extra jobs for the 14 Essen projects and between 594,000 and 1,030,000 extra jobs for all the projects in the T-TEN guidelines. However, if workers could be persuaded to take the productivity increases resulting from TEN investments in additional employment rather than higher real wages, then the increase in jobs would be dramatically higher: from at least 570,000 in the case of the 14 Essen projects, to as much as 4,700,000 for the whole network. These net figures mask potentially significant changes at the sectoral and regional levels which have not, however, been analysed in the present study. They nevertheless confirm the significant potential of T-TEN implementation for improving the Union's employment performance.
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