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Report

drawn up on behalf of the Committee on
Transport

on the future of the Community railway network

Rapporteur: Mr V. GABERT

On 19 December 1980 the Bureau of the European Parliament referred to the Committee on Transport the motion for a resolution by Mr COTTRELL (Doc. 1-752/80)¹ on the future of the EEC railway network.

At its meeting of 30 January 1981 the committee decided to consider this motion for a resolution within the context of a report on the Commission's communication to the Council of 19 December 1980 on Community railway policy: review and outlook for the 1980's (COM(80) 752), and on 20 February 1981 appointed Mr GABERT rapporteur.

Following the Committee on Transport's request of 6 February 1981, the President informed Parliament on 4 May 1981 that the committee had been authorized to draw up a report on the Commission's communication to the Council of 19 December 1980 on Community railway policy: review and outlook for the 1980's (COM(80) 752).

The Committee considered the draft report at its meeting of 29 January 1982 and unanimously adopted the motion for a resolution and explanatory statement.

The following voted: Mr Seefeld, chairman; Dame Shelagh Roberts, vice-chairman; Mr Gabert, rapporteur; Mr Albers, Mr Cottrell, Mr Gendebien (deputizing for Mr Skovmand), Lord Harmar-Nicholls, Mr Janssen van Raay (deputizing for Mr Hoffmann), Mr Key, Mr Klinkenborg and Mr Moorhouse.

¹ See Annex

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The Committee on Transport hereby submits to the European Parliament the following motion for a resolution together with explanatory statement:

MOTION FOR A RESOLUTION

on the future of the Community railway network

The European Parliament

- having regard to the memorandum of the Commission of 7 November 1979 on the role of the Community in the development of transport infrastructure (COM(79) 550 final),
- having regard to the report on bottlenecks and possible modes of finance submitted by the Commission to the Council on 20 June 1980 (COM(80) 323 final),
- having regard to the Commission's communication to the Council of 19 December 1980 on Community railway policy: review and outlook for the 1980's (COM(80) 752 final),
- having regard to the reports drawn up on behalf of the Committee on Transport by Mr Cottrell (Doc. 1-267/80), Mr Klinkenberg (Doc. 1-601/80), Mr Albers (Doc. 1-249/81) and Mr Ripa di Meana (Doc. 1-564/81), and to the resolutions adopted by the European Parliament on the basis of these reports,¹
- having regard to the Council resolution of 26 March 1981 on the Council's proceedings on transport up to the end of 1983 (OJ No. C 171, 11 July 1981, P.1),
- having regard to the motion for a resolution by Mr Cottrell (Doc. 1-752/80) on the future of the EEC railway network,
- having regard to the report of the Committee on Transport (Doc. 1-982/81),

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OJ C 197, 4.8.1980, p.74

OJ C 144, 15.6.1981, p.77

OJ C 287, 9.11.1981, p.140

1. Welcomes the steps taken by the Commission inasmuch as they promote the Community objective of bringing about the economic recovery of the railways;
2. Takes the view that, when granting financial aid from the Community for transport infrastructure, the energy saving mode of transport constituted by the railways must be given preference;
3. Considers it appropriate for the Community authorities, when selecting short, medium and long-term investment measures for the Community railway network to be backed by Community funds, to take as their basis the European infrastructure master plan drawn up by the International Union of Railways in Paris;
4. Requests the Commission to draw up, on the basis of the European infrastructure master plan of the International Union of Railways, a route map of the existing and planned Community railway network and to fix priorities in respect of the most urgent projects to be implemented, which the railway authorities of the Member States may use as guidelines for their infrastructure investment and which clarifies the planning objectives of the Community institutions;
5. Strongly urges the Council finally to establish the legal basis for the financing of a common transport policy and to adopt without delay the regulation which was proposed as long ago as 1976 (Doc. 1-244/76) on support for projects of Community interest in the field of transport infrastructure, having regard to the amended proposal submitted by the Commission (Doc. 1-46/80) and to the resolution adopted by the European Parliament on 11 July 1980 (OJ C 197 of 4.8.1980);
6. Points out once more that the use of budgetary appropriations for infrastructure projects creates potential employment and makes possible urgently needed capital investment, and that the use of budgetary appropriations for transport infrastructure will, in all finance planning, have to be closely coordinated with the other financing instruments of the Community, in particular the European Regional Development Fund and the European Investment Bank;
7. Calls upon the Commission to coordinate investment and funds made available in the railway sector including the possibility of private capital funding of such projects as electrification, inter-city passenger services and intra-Community freight services;
8. Requests the Council and the Commission, with regard to the further development of a common transport infrastructure policy, to take account of the considerations set out in the explanatory statement accompanying this resolution;
9. Instructs its President to forward this resolution and explanatory statement to the Council and the Commission of the European Communities and to the national Parliaments.

Explanatory StatementI. INTRODUCTION

1. The purpose of this report is to contribute towards an improvement in the competitiveness of railways in the European Community. It is clear that the existing problems of the railways can only be solved in the framework of a common transport policy. In this connection, the main objectives of European railway policy may be described as follows:

- (a) improvement and development of infrastructure;
- (b) further improvement in cooperation between railway undertakings;
- (c) consolidation of the financial situation of railway undertakings;
- (d) elimination of administrative barriers to cross-frontier traffic.

Objective (c) was considered in the report by Mr RIPA di MEANA (Doc. 1-564/81) concerning the achievement of financial balance by railway undertakings, on which the European Parliament adopted a resolution on 16 October 1981. The Commission is currently drawing up a new report on objective (d). It would therefore seem appropriate that this report should concentrate on the medium and long-term investment necessary for the development and improvement of the railway network, with a view to improving the profitability and productivity of this mode of transport (objective (a)). Financial measures should be considered only inasmuch as they have a direct bearing on infrastructure measures.

Legal basis for Community action

2. Articles 3(e) and 74 of the EEC Treaty stipulate that the Member States, in the field of transport, shall pursue the objectives of the Treaty within the framework of a common transport policy. These objectives include the harmonious development of economic activities within the Community, a continuous and balanced economic expansion, an increase in stability, an accelerated raising of the standard of living and closer relations between the Community Member States (Article 2 of the EEC Treaty). There can be no doubt that the concept of a 'common transport policy' as referred to in Articles 3(e) and 74 of the Treaty also encompasses a common transport infrastructure policy. Article 75 (1)c, together with Article 84(1) of the Treaty, constitute a legal basis for the implementation, under a common transport policy, that pursues these objectives, of all appropriate measures for the improvement of railway infrastructure.

Development of the railway network by comparison with the road network

3. Whereas attempts have been made in recent decades to adapt road infrastructure to new traffic flows, the railway network, apart from the construction of some new urban lines, remains largely the same as in the last century (Community railway policy : review and outlook for the 1980's,

COM(80) 752, p.5). An improvement of railway infrastructure can today be achieved both through the development of existing lines (electrification, automation, adaptation for greater speed etc.) and through the construction of new lines (Channel tunnel, tunnels through the Alps and high speed lines).

Economic features of the railways

4. The main feature of the economic structure of railways is that, in the short and medium term, a substantial requirement for fixed investment exists alongside proportionally low operating expenses. On the other hand, railways are labour intensive; the railway undertakings in the EEC currently employ over one million people and staff costs account for about 70% of their operating expenses (Community railway policy COM(80) 752, p. 3 and 5).

Advantages of rail transport

5. The railways are at present the only mode of transport which is necessarily dependent on oil, given that they are making increasing use of electricity. Railways now account for about 2.7% of oil consumption in the transport sector, as against 81.4% for road transport (goods and passenger transport, plus private cars - Albers report, p. 26, para. 59). Further electrification can reduce this proportion still further. In the event of further increases in oil prices, the railways will be able partially to replace other oil-intensive modes of transport. The fact that the railways' productivity increases with the volume of traffic would probably help this development.

6. The railways are an extremely safe form of transport and have a 'soft' impact on the environment.

Problems concerning the railway network

7. In rural areas and on lines with limited traffic, the services provided by the railways do not always cover their economic costs and are sometimes unsatisfactory for the user.

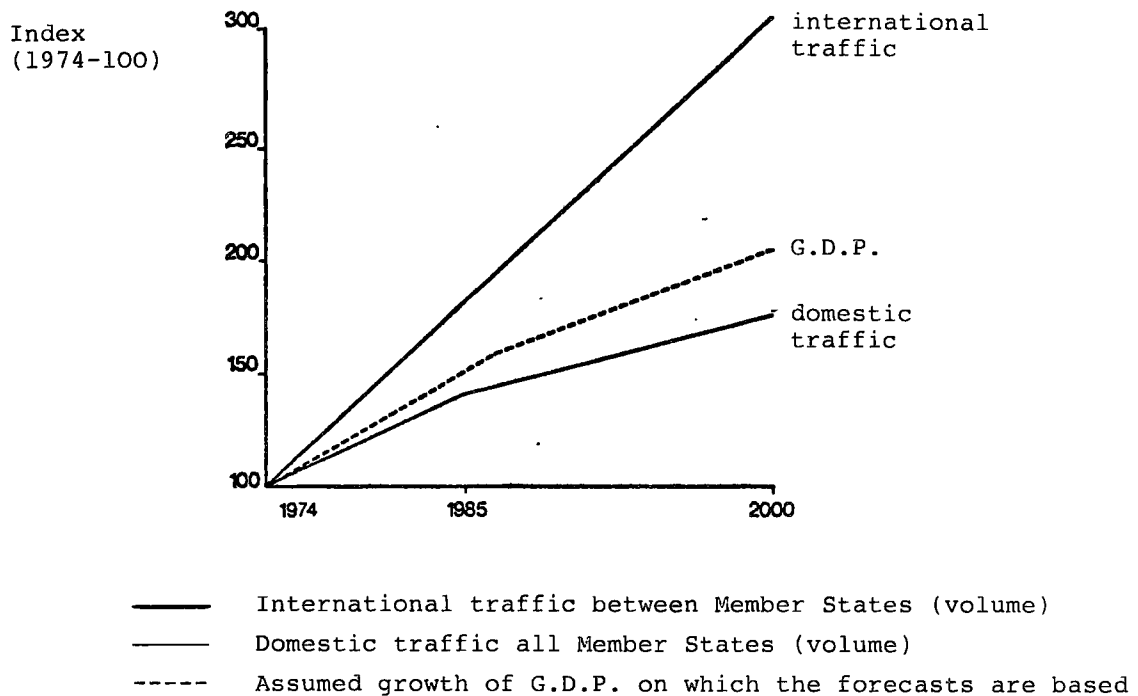
8. The financial situation of the railways is currently not in balance. The railways are placed at a particular disadvantage, in terms of production costs, by their substantial public service obligations and prevailing distortions of competition. Between 1973 and 1977 state subsidies increased by 60%. Given the inflation rate in the Community countries, it is to be feared that, without any change in the existing railway network and services, state aid will increase even more sharply than it did in the 1970's (Community railway policy, COM(80) 752).

Trends in rail transport

9. There exists potential increased demand for rail transport in both freight and passenger transport. Freight transport between Member States is growing faster than the domestic market, as shown by the graph below (The role of the Community in the development of transport infrastructure, memorandum of the Commission of 7 November 1979, p. 23):

Projections of the development of domestic and international traffic

(Low-growth hypothesis)



Source: Freight Forecasting Study 1979

10. Passenger transport has shown greater bouyancy than that of freight tonnage. The increasing fuel costs occasioned by oil price rises, the pressure on disposable income and the greater elasticity for railway passenger transport suggest that there could be an increase in passenger carryings (COM(80) 752, page 6, paragraph 9) as shown by the following statistics on international passenger transport (Memorandum of the Commission of 7 November 1979, page 21):

Development of international passenger traffic within the Community

Country-to-country journeys in excess of 80 km, in thousands (both directions)

Journeys between other
Member States and :

	<u>1970</u>		<u>2000</u>	
	<u>Number</u>	<u>Index</u>	<u>Number</u>	<u>Index</u>
<u>Belgium</u> : Total	28 146	(100)	47 916	(170)
of which by surface transport	26 836	(100)	43 128	(161)
<u>Denmark</u> : Total	5 688	(100)	9 610	(169)
of which by surface transport	4 204	(100)	5 722	(136)
<u>France</u> : Total	40 214	(100)	95 830	(238)
of which by surface transport	35 622	(100)	70 368	(198)
<u>F.R. Germany</u> : Total	51 434	(100)	98 194	(191)
of which by surface transport	47 114	(100)	80 112	(170)
<u>Ireland</u> : Total	3 680	(100)	5 092	(138)
of which by surface transport	2 508	(100)	2 044	(81)
<u>Italy</u> : Total	20 428	(100)	50 188	(246)
of which by surface transport	16 250	(100)	33 086	(204)
<u>Luxembourg</u> : Total	2 164	(100)	4 422	(204)
of which by surface transport	2 026	(100)	3 910	(193)
<u>Netherlands</u> : Total	32 034	(100)	62 224	(194)
of which by surface transport	29 880	(100)	52 656	(176)
<u>United Kingdom</u> : Total	15 876	(100)	38 532	(243)
of which by surface transport	7 988	(100)	10 762	(135)
<hr/>				
Total international traffic between Member States :	99 832	(100)	206 004	(206)
of which by surface transport	86 214	(100)	150 894	(175)

Note :

As each journey is counted twice - once in the country of origin and once in the country of destination - the total is half the sum of the figures for each country.

Source : 'The future of European passenger transport' OECD, Paris 1977
(Project COST 33)

Need for infrastructure measures at Community level

11. The decisions on transport infrastructure policy taken by the public authorities, and hence also by the Community, are of fundamental importance for the competitive position of the various modes of transport. The scope for each mode of transport is limited geographically by the extent of the transport network and is largely determined by its carrying capacity (Klinkenberg report, Doc. 1-601/80, p.14, para. 28). The Committee on Transport attaches high priority to the question of transport infrastructure for the implementation of a common transport policy, as this is a particularly appropriate area - within which the public authorities are principally responsible - for the formulation and implementation of a common policy at Community level (Albers report, Doc. 1-249/81, p. 20, para. 34).

12. An increase in the profitability of the railways presupposes an improvement of the railway network. Given the increasing interdependence of the Member States' economies and the growth in traffic between Member States by comparison with national traffic, the individual Member States cannot be considered as isolated entities for planning purposes. On the contrary, priorities for infrastructure investment should be coordinated and fixed at Community level. It would be appropriate, in this connection, for the Community to grant financial support for specific projects selected at Community level.

13. Furthermore, in respect of all measures in the field of the common transport policy, importance should be attached to an optimum utilization of the railways' capacities in terms of passenger and freight transport, in particular through the meeting of all technical requirements and the necessary infrastructure for combined transport.

II. INFRASTRUCTURE POLICY FOR THE EEC RAILWAY NETWORK

14. One of the main objectives of a common European transport policy is the implementation of an inland transport system with a European dimension. Within this system, the railways should undertake the transport operations for which they are particularly suited in terms of their technology. In order to achieve this objective, the railway network in and between the Member States must be improved from both a quantitative and a qualitative point of view. At the level of planning, the various international organizations should cooperate closely.

15. Your rapporteur shares the view of the International Union of Railways (Paris) on the need to improve the supply performance of the railways as a priority for any infrastructure policy for European railways aimed at improving their competitive position. In future seven service categories should be particularly developed at international level viz: with regard to passenger transport, fast inter-city links, sleepers, seasonal

transport and car-trains; with regard to freight transport, whole trains, individual wagons and combined transport. Combined transport with containers and piggyback transport, which is steadily developing in a number of Community countries, are particularly important areas of transport policy for the future. In its European infrastructure master plan for 1973, the UIC defined the main lines which needed to be extended or built for the first time to ensure that future traffic on these lines met certain standards of performance, thereby enabling the railways to compete with other transport modes, in particular road and air transport. This master plan should form a European frame of reference within which the infrastructure plans of the national railway undertakings should be incorporated.

16. Work on some of the projects for the development of the main lines figuring in the master plan has already commenced or been completed, although most of the projects are still at the planning stage. In view of the economic difficulties with which all the Member States have been faced since 1973, it is necessary to examine the UIC projects, which were drawn up mainly on the basis of geographical criteria, with particular reference to economic factors. Given the heavy costs of the infrastructure measures involved and the limited resources hitherto available, a decision must be taken as to which projects should be implemented as a priority on the basis of their significance in transport policy terms. In the light of these problems, the UIC has drawn up an updated infrastructure master plan which was adopted in November 1981 and reflects the most recent position as regards infrastructure planning.

17. Your rapporteur takes the view that the Community's infrastructure policy in the railway sector must indicate, on the basis of the plans put forward by other international organizations such as the UIC and those formulated from a Community perspective by the Group of the Ten national railway undertakings of the Community (which also comes under the UIC), those lines which are important for the development of the Community's railway network and on which the service provided falls short of the required standard of performance. That policy must also state the projects to which priority should be granted with a view to improving the railways' competitiveness and profitability.

18. The Council's decision of 20 February 1978 (OJ No. L 54 of 25 February 1978, p. 16) introduced a consultation procedure in the field of transport infrastructure and set up a transport infrastructure committee. An improved consultation procedure in this area would facilitate decisions on projects of Community interest in the railway sector.

19. The Commission's report to the Council of 20 June 1980 on bottlenecks and possible modes of finance (COM(80) 323) constitutes a step towards a common transport infrastructure policy. However, this report fails to lay down Community criteria for the assessment of priority projects in

the railway sector or indeed for the other transport sectors. Nor does it contain a map showing clearly those lines which are in most urgent need of improvement within the Community.

A. Improvement of the existing rail network

20. An improvement of the existing rail network would make a significant contribution towards the improvement of the railways' competitive position. Of particular importance is the improvement of the track and lines with a view to increasing speed and further electrification in order to reduce oil consumption (see ALBERS report on ways and means of effecting energy savings in the transport sector, Doc. 1-249/81, p. 27, para. 62), improvement of signalling, the development of double track where appropriate, enlargement of stations in order to improve line capacity, development of goods stations and loading points (for combined transport) as a precondition for switching to the railways a substantial volume of goods currently transported by road.

21. In the annex to its abovementioned report on bottlenecks, the Commission has listed the stretches of line and sections of the Community railway network which are considered by the Member States, according to the criteria applied by them, as requiring improvement. The report refers to stretches of line totalling 3,460 km and 33 projects for the development of stations and goods depots which there is little point in listing in this report. However your rapporteur regrets the failure to fix priorities owing to the lack of uniform assessment criteria.

22. In 1979 the Group of Ten (then the Group of Nine) compiled a list of projects of Community interest which could be implemented in the short term (before 1985) with a view to improving railway infrastructure. The priorities were fixed on the basis of criteria which related to the main lines and forms of service shown in the UIC's infrastructure master plan. The list contains 114 projects (21 in Switzerland and Austria) approved by the Group of Ten and the financing of which is assured, together with 37 projects (6 in Switzerland and Austria) in respect of which, even though they have been approved, financing has not been assured. Given that the Community institutions have not yet laid down their own criteria for assessment, a Community financial contribution could be requested in respect of projects of Community interest such as those proposed by the Group of Ten, in cases where the financing of such projects is not guaranteed by any other source.

23. In this connection, the Commission should state the costs which would be incurred by the implementation of the measures planned by the Member States. Only then, when the Community institutions know the exact volume of expenditure represented by these infrastructure measures, will they be in a position to consider the provision of resources under the various Community financial mechanisms.

B. Construction of new lines

24. The 1973 master plan for the European railways lists the railway line construction projects planned or already being implemented by the railway authorities. These projects fall into two categories - those designed to overcome geographical barriers (four base tunnels through the Alps, the Channel Tunnel, bridges over the Messina Straits, the Store-Baelt, the Sound and the Fehmarnsund), and secondly projects on sections of line with extremely dense traffic or of exceptional importance within the major traffic network of the master plan. Some of the latter have already been completed or are under construction (Paris - Lyon, Florence - Rome, Amsterdam - The Hague, Hanover - Gemünden, Mannheim - Stuttgart).

25. In view of the deteriorating economic situation in the Member States of the European Community since 1973, as a result of which there has been a cutback in funds available for infrastructure measures, it has become necessary for planning to be based on more economic criteria and geared to ideal quality standards. This applies in particular to new construction projects, which involve the greatest expense and the economic viability of which is currently assessed by the UIC in 'Axis studies'; reports have so far been completed on the following sections of line in the Community: Basle - Milan (Gotthard base tunnel), Munich - Verona (construction of Brenner base tunnel), Lindau - Milan (construction of Spügen tunnel), Munich - Lubljana, Chambery - Turin, Barcelona - Narbonne; the United Kingdom - Continent axis study was suspended in 1975 and has not yet been resumed. A comprehensive report on the transalpine studies shows that for economic reasons priority is being given, in transalpine railway transport, to the construction of a base Gotthard and a base Brenner tunnel, including extensions of the relevant infrastructures. As for the rest, the planning bodies of the UIC have not yet fixed their priorities or decided on the most urgent projects to be implemented. Similar plans are contained in the report on the European network of main traffic routes adopted on 9 September 1981 by the Committee on Regional Policy and Planning of the European Conference of Local and Regional Authorities.

26. Your rapporteur has attached in annex to this report a map showing the nine railway networks of the European Community as contained in the master plan of the International Union of Railways. In addition, he has attached a further annex showing the network of main lines in terms of the relative volume of passenger and freight traffic. These main lines, which are also contained in the master plan drawn up by the International Union of Railways, are as follows:

1. Hamburg - Copenhagen - Stockholm - Oslo
2. Cologne - Hanover - Berlin - Warsaw
3. Basle - Milan - Genoa - Florence - Rome
4. Hamburg - Hanover - Munich - Salzburg - Zagreb - Belgrade

5. Paris - Frankfurt - Vienna
Munich
6. Paris - Brussels - Amsterdam
7. Paris - Aulnoye - Charleroi - Liege - Cologne
Brussels - Louvain
8. Brussels - Luxembourg - Strasbourg - Basle
9. Milan - Trieste - Ljubljana
10. Belgrade - Nis - Athens/Istanbul
11. Paris - Lyon - Turin - Milan
12. Lyon - Narbonne - Barcelona - Madrid
13. Warsaw - Katowice - Ostrawa - Vienna - Venice
14. Budapest - Belgrade/Zagreb
15. Amsterdam/Rotterdam - Rhine-Main - Basle/Stuttgart
16. Vienna - Budapest - Bucharest - Sofja/Konstanza
17. Munich - Innsbruck - Verona - Bologna (Brenner tunnel)
18. Berlin - Prague - Budapest/Linz - Zagreb
19. London - Paris
20. London - Brussels
21. London - Harwich - Hook of Holland - Rotterdam
22. Munich - Zurich - Geneva - Lyon
23. Stockholm - Gdansk - Warsaw - Budapest

Objectives and possibilities for the Community

27. At present, the national railway authorities, which have close links with the authorities of the Member States, are solely responsible for infrastructure. There is therefore a danger that despite the existing cooperation at international level, priorities may be fixed exclusively on the basis of national planning objectives and projects of particular importance for rail transport between the Member States may be sidelined.

28. In its communication on Community railway policy (COM(80) 752), the Commission states that community bodies must plan a significant role in planning the network, identifying and choosing priority projects and providing financial assistance for their development, in order to ensure a coherent pattern of communication links between the major centres of the Community.

29. The existing Community instruments, in particular the abovementioned consultation procedure in the field of transport infrastructure, have not so far been sufficient to achieve these objectives of a Community transport infrastructure policy. In its communication on railway policy, the Commission asks whether the situation could not be improved by separating responsibilities for infrastructure on the one hand and operations on the other. However, in view of the complexity of the problem, it has failed to propose any specific solutions. The Commission should therefore be called upon to examine this question in detail with a view

to formulating an overall view of infrastructure policy in the railway sector. At the very least, it should consider whether, with regard to the relationship between the railway undertakings and their owners, a distinction should not be made between accounting procedures in respect of national projects (e.g. infrastructure), Community projects (e.g. public passenger transport) and the commercial sector.

30. In the current situation, in which the Community cannot exert a direct influence on infrastructure measures, a pragmatic solution would be for the Community to provide financial support for projects to improve the railway network, which are considered of prime importance from a Community standpoint, and thereby speed up their implementation.

III. FINANCING OF INFRASTRUCTURE PROJECTS

31. The railway undertakings of the Member States are unable to provide the necessary capital for the required infrastructure measures out of their own resources. This would still be the case even if the railways achieved financial balance by 1990 as proposed by the Commission (see the report by Mr Ripa di Meana, Doc. 1-564/81, p. 9, para. 8). As long as the railway undertakings continue to receive increasing subsidies and aid from the Member States in connection with their socio-economic role, the resources which the Member States can make available for infrastructure investment will be limited accordingly.

32. In its resolution of 11 July 1980 (OJ No. C 197, 4.8.1980, p. 73) the European Parliament requested the Commission to examine possible ways of promoting the coordination of railway investment and finance (including the possibility of private capital funding) within the European Community. In its report on bottlenecks (COM(80) 323), the Commission put forward its most recent suggestions on the financing of transport infrastructure projects, including those in the railway sector.

33. In addition to seeking further financial resources for railway infrastructure investment from the private capital market and at budgetary level, consideration should above all be given to the existing Community financing instruments, the utilization of which will be facilitated following the definition of the Community interest of projects under the consultation procedure set up by the Council decision of 1978.

34. As is known, various financing instruments already exist in the Community, namely the European Regional Development Fund, the European Investment Bank, the Ortolí facility and the interest rebates available under the two latter instruments within the framework of the European Monetary System. These instruments may also be deployed for transport infrastructure investment.

35. Pursuant to Article 20 of its statute, the European Investment Bank may grant loans or guarantees for investment for infrastructure investments where interest and redemption payments are covered and the execution of the project contributes to an increase in economic productivity in general and promotes the attainment of the common market. Until 1973 the projects of joint interest financed by the EIB were mostly transport infrastructure projects. After 1973 the financing of investments designed to reduce the Community's dependence on energy imports became predominant (European Investment Bank, '20 years, 1958-1978', p. 38, 39). Since 1973 the EIB has granted loans totalling approximately 289.9 million EUA for 11 projects in the rail sector in France, Greece, Ireland and the United Kingdom; these projects relate mostly to rolling stock, however, and less to the extension of the railway network.

36. A disadvantage of all the existing financing instruments is that their possible application to transport infrastructure measures is dependent on changing political priorities and other factors such as the budgetary situation and the capital market. An effective common railway infrastructure policy leading to progressive improvement in the railway network of the Community on the basis of long-term planning, and thereby enabling the railways to compete freely with other transport modes, is conceivable only if there is a guaranteed and continuous flow of resources for the implementation of predefined projects according to a fixed programme.

37. What is lacking is a specific financing instrument exclusively for European transport policy which would enable the Community to grant financial support on the basis of the Community interest of projects. The absence of this instrument is a consequence of the unjustifiable failure to act on the part of the Council, which has still not taken a decision on the Commission proposal of 5 July 1976 (Doc. 244/76) for a regulation on financial support for projects of Community interest in the field of transport infrastructure and the Commission's amended proposals submitted in 1980 (Doc. 1-46/80).

38. The existence of a financing instrument specifically relating to transport policy would enable the Community effectively to influence the organization of the European transport network (KLINKENBORG report, Doc. 1-601/80, p. 10, para. 11), and hence to contribute towards the rapid elimination of existing bottlenecks. The absence of Community financial support will preclude the implementation in the short term of such projects as the tunnel through the Alps, the Channel tunnel and the bridge across the Messina Straits.

39. The system proposed by the Commission in the abovementioned regulation on financial support for projects of Community interest is tailored to the special circumstances of Community action in the sector of transport