



COMMISSION OF THE EUROPEAN COMMUNITIES

Brussels, 13.9.2006  
COM(2006) 490 final

**COMMUNICATION FROM THE COMMISSION**

**Annual report by the six European coordinators on the progress of certain trans-European transport network projects**

## EXPLANATORY MEMORANDUM

In view of their transnational nature, the major trans-European transport projects require considerable funding, as well as sustained coordination between the Member States which they cross.

To enable such coordination to take place and to overcome the difficulties caused by the way in which investment procedures and decisions are compartmentalised within Member States, the Decision of 29 April 2004 of the European Parliament and of the Council on guidelines for the development of the trans-European transport network<sup>1</sup> introduces a new mechanism. This mechanism enables the Commission to designate European coordinators to facilitate the implementation of certain projects in a coordinated manner between Member States.

On 20 July 2005, after consultation with the European Parliament and with the agreement of the Member States concerned, the Commission appointed six European coordinators<sup>2</sup>: Loyola de Palacio, Karel Van Miert, Étienne Davignon, Péter Balázs, Pavel Telicka and Karel Vinck.

The Commission Decision drew up a precise mandate for action by the coordinators and for the principal tasks entrusted to them (cf. Annex). It was envisaged, within this framework, that the coordinators would draw up each year *"a report on the progress made in implementing the projects"*, for transmission by the Commission to the European Parliament and to the Member States concerned. In addition to this aspect, their mission statement also stipulated that they should give the Commission *"their assistance in the programming of Community financial aid for the period 2007-2013"*.

This Communication brings together the comments, analyses and recommendations made by the coordinators (referred to below as the "report") in their annual activity reports for the projects for which they are responsible.

### **1. A FIRST MAJOR INTERIM REPORT**

The coordinators carried out their activities between July 2005 and June 2006 in a period in which there was a degree of uncertainty about the financial support that might be provided by the Community for these major projects after 2006 given that the interinstitutional agreement on the EU's financial framework was not finally sealed until 17 May 2006.

It emerges from the analysis carried out by the coordinators that these projects/corridors **are to a large extent dependent on support from the Community since certain sections are above all of Community interest**. In particular for the cross-border sections, the Community contribution is decisive in view of the difficulty for the Member States concerned of bearing the financial costs on their own during a period of budgetary restrictions. The report stresses, moreover, that certain projects straddling two, or even three financial perspectives also have to contend with uncertainty regarding a possible Community contribution beyond 2013.

Independently of the financial aspects, the coordinators' activities in particular made it possible to highlight the importance of strengthened coordination between Member States to

---

<sup>1</sup> Decision No 884/2004/EC of the European Parliament and of the Council of 29 April 2004 (OJ L 167, 30.4.2004, p. 1).

<sup>2</sup> Commission Decision C(2005) 2754 of 20 July 2005.

ensure effective implementation of the projects. The possibility of approaching a project or a corridor in an overall manner thus helped create an awareness, among the authorities concerned, of the need to set up **common planning or management structures**. Some already existed, while others have been set up or will soon be established following the coordinators' recommendations, which in itself represents considerable progress for these corridors. If the maturity of a project has not yet been established, the option chosen has been to carry out common feasibility studies so that a decision on the launching of operations can be taken by 2010 at the latest.

**The activity of the coordinators has made it possible to acquire a better understanding of the projects, to make the competent authorities aware of the need to strengthen cooperation with their counterparts in other Member States**, and to consider, over the medium-to-long term, the development not only of the infrastructure but also of the services to be provided on these corridors. The need to guarantee the interoperability of the networks as well as the harmonisation of the administrative procedures is crucial in this connection. This is indicative of the fact that completing these **large corridors is not an end in itself** but that they represent an **essential component** of a trans-European transport network. The lack of a key link may have detrimental consequences for the proper functioning of the trans-European transport network as a whole and reduce the efficiency of the national networks. They therefore need to be underpinned by a **coherent transport policy**. Moreover, failure to complete the trans-European transport networks as a whole would have a cost for the European economy in terms of loss of economic competitiveness.

The coordinators' comments are, in this context, very important because they point out the need to develop **an integrated network policy**. This should not simply be a "major works" approach with short-term objectives but should also represent a key element **of a sustainable transport policy, with longer-term objectives**.

## **2. FIRST ENCOURAGING RESULTS**

It should be stressed that, for all the corridors concerned, the presence of a European coordinator has therefore had a positive impact on strengthening the dialogue between the various interested parties. The coordinators as a whole underlined the importance of this aspect and were able to establish appropriate contacts within the authorities concerned.

Within this framework, each coordinator endeavoured to have the most objective possible view of the state of progress of the corridor, the difficulties on some sections and the Community financial support they consider necessary. The reports annexed to this Communication illustrate the actions undertaken over the last year and the questions which are still outstanding. These will be given particular attention by the coordinators over the next few months.

The knowledge that the Commission now has of these large corridors taken as a whole is thus much more precise than before, when each project was dealt with separately and there was only a partial view of the issues and the difficulties relating to the projects. This approach makes it possible in particular to evaluate more effectively the "trans-European" value added by a corridor, whereas before, at best, all that could be done was to add up the "national" value added by each section. It emerges indirectly from these reports that non-completion or only partial completion of these major routes would be a major setback both for the trans-European networks and for the Community as a whole which would thus be deprived of an

essential factor in the proper functioning of the internal market with, as a direct consequence, a loss of competitiveness for its economy.

### 3. MAIN RECOMMENDATIONS

In order to help the Commission to establish criteria to set the level of Community funding for the various eligible projects within the framework of the financial period 2007-2013, the coordinators' recommendations are as follows:

- (1) concentrating the funds available primarily on the cross-border sections with a high Community value added and on certain major bottlenecks in order to contribute to the completion, as soon as possible, **of a genuine trans-European, interconnected and interoperable network**;
- (2) the need to take into account aspects relating to interoperability right from the project design phase;
- (3) the application of a rate of support providing a sufficient **incentive** to allow the start of work on the cross-border sections and the bottlenecks. In its proposal of 24 May 2006, the Commission proposed a support rate of 20% of the total cost for the priority projects and up to 30% for the cross-border sections of these projects. For the ERTMS system deployment projects, the proposed support rate amounts to 50%<sup>3</sup>.

Within this framework, the coordinators consider that only **optimum** coordination of the various Community interventions will make it possible to contribute to the implementation of these priority projects within the time limits set in the decision on the TEN-T guidelines.

In this context, these priority sections should in particular receive special attention within the national strategic reference frameworks for the programming of the Structural and Cohesion Funds being prepared for 2007-2013, the implementation arrangements for which are more favourable than those in force for the TEN budget. Moreover, for projects where they appear suitable, innovative financing arrangements such as PPP (public-private partnerships) should be developed.

The steering group for the trans-European networks<sup>4</sup> was created at the same time as the coordinator's function and is working currently on these questions. It has to submit a report to the Commission by the end of 2006. All the coordinators were given a hearing within the framework of this group. They were therefore able to inform the Commission of the state of progress with each project, and also of their ideas on the steps to be taken in order to make the financing of these major infrastructures more attractive and to improve the coordination of Community support from various funds.

---

<sup>3</sup> COM(2006) 245.

<sup>4</sup> The group is chaired by the Vice-President responsible for transport and composed of the Vice-President responsible for the information society and the media, and the Commissioners responsible for regional policy, financial planning and the budget, the environment, economic and monetary affairs, and energy.

#### 4. CONCLUSIONS

The designation of coordinators for five priority corridors and for the horizontal project ERTMS has been a positive experience which has made it possible to generate momentum. These projects can now be identified with a particular individual, the European coordinator, who can be contacted directly where necessary. His role is perceived positively by the parties involved, at both national and local level.

Moreover, the coordinators' activities were characterised by a high degree of transparency, in particular with regard to the European Parliament. All the coordinators were given a hearing by the European Parliament's Committee on Transport and Tourism between January and May 2006 in order to present the actions undertaken.

This is only a first report but it covers a landmark year. The next few months, from now until the end of 2006, will probably be the most important ones for the planning and financial arrangements for several of these major projects.

The amount of Community support which could be granted, in particular to the cross-border sections, will enable the Member States concerned to decide on the future of these projects. It is not impossible that, if the Community support rate is too low, certain projects might not be carried out in the immediate future or would be delayed.

The coordinators therefore recommend that a choice should be made to concentrate support under the TEN budget **in order to maximise its leverage effect**. The Commission points out, however, that the financial needs considered necessary by each coordinator for the projects for which they are responsible will have to be incorporated into the overall analysis of the funds necessary for the TENs within the framework of the multiannual programming for 2007-2013 for the 30 priority projects identified in the Decision of Parliament and of the Council of 29 April 2004.

Moreover, the various contributions by the coordinators demonstrate clearly the need to adopt an integrated approach which does not separate the infrastructure from the future use which will be made of it. That is why the aspects relating to the adoption of the ERTMS system, the development of interoperability on certain key corridors and infrastructure charging are also covered by the coordinators' activities. In addition, the corridor approach which was adopted has also made it possible to have a precise view of these priority links, and considerable progress has been made over the past year.

While the coordinators' contribution is not quantifiable precisely, it is in no way an abstract concept. The results already achieved highlight that action by the coordinators was decisive for the conclusion of certain agreements and for obtaining firm official commitments by the Member States concerned to carry out studies or launch activities, decisions which were inconceivable a few months ago. For certain corridors, difficulties – sometimes major ones – were brought to light, also as a result of the activity of the coordinators. This transparency concerning the progress with these corridors is thus an additional guarantee for the Commission which, when it decides to enter into financial commitments for certain operations, will do so with a full knowledge of the facts.

**The Commission thanks the European coordinators for the work carried out in accordance with their mandate during their first year of activity. Considerable progress has been made. The Commission calls on them to continue their action in accordance with their mission statement.**

**The information which will be communicated by the coordinators during the next six months will be used by the Commission, together with other factors, within the framework of the preparation of the overall financial planning of the trans-European transport networks for the period 2007-2013. The continuation of their mission should also enable the coordinators to obtain, as far as possible, guarantees on the financial commitments of the Member States concerned by these priority projects.**

## **ANNEX**

### **List of coordinators**

- Mr Karel Van Miert, for priority project No 1 (Berlin-Verona/Milan-Bologna-Naples-Messina-Palermo rail link).
- Mr Étienne Davignon, for priority project No 3 (South-west European high-speed rail link).
- Ms Loyola de Palacio, for priority project No 6 (Lyon-Trieste-Divaca/Koper-Divača-Ljubljana-Budapest-Ukrainian frontier rail link).
- Mr Péter Balázs, for priority project No 17 (Paris-Strasbourg-Stuttgart-Vienna-Bratislava rail link).
- Mr Pavel Telicka, for priority project No 27 (“Rail Baltica” Warsaw-Kaunas-Riga-Tallinn-Helsinki rail link).
- Mr Karel Vinck for the ERTMS project.