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NOTE

From:	General Secretariat of the Council
To:	Delegations
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Subject:	TEN-T Days (20-22 June 2016) - Declaration on implementing the Trans- European Transport Network (TEN-T)

Delegations will find attached a revised text on the above-mentioned subject, as adopted by the Ministers on 20 June.

10308/1/16 REV 1 FL/il 1
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MINISTERIAL DECLARATION

Implementing the Trans-European Transport Network (TEN-T) TEN-T Days 2016

Rotterdam

20 June 2016

Introduction

A modern and efficient European transport system is critical to ensure the smooth functioning of the internal market and facilitate trade in goods and services across Europe. It is also essential to enhance Europe's links with other parts of the world and to strengthen economic, social and territorial cohesion with the specific objectives of allowing the seamless, safe and sustainable mobility of persons and goods. Transport infrastructure is not only the backbone of a well-functioning European economy. It also shapes mobility behaviours and solutions and, thereby, constitutes an indispensable basis for the achievement of our common transport policy objectives.

European transport policy provides an essential contribution to the EU's "Jobs, Growth and Investment" agenda. It also aims to further strengthen EU competiveness within the framework of the Europe 2020 strategy. Furthermore, TEN-T policy supports the objectives of the Investment Plan for Europe ('Juncker Plan') launched by the European Commission in June 2015. It also has an important part to play in the follow-up to the COP21 Paris Climate Agreement, with a view to facilitating the transition to a low and zero-emissions transport and mobility system.

Considering that overall investments in transport infrastructure have clearly shown a downward trend in the course of the past few decades, it is essential to reconcile investment needs with a strong financial commitment from all parties involved to ensure that Europe remains a forward looking continent that seeks to promote creative solutions for smart and sustainable mobility and optimal use of infrastructure.

Connecting Europe Facility (CEF), European Structural and Investment Funds (ESIF) and the European Fund for Strategic Investments (EFSI)

The Connecting Europe Facility (CEF) aims to accelerate investments in projects with high European added value in transport, energy and telecommunications. The CEF puts a strong emphasis on a competitive selection process, innovative financing solutions and sectoral synergies, in order to leverage funding from public and private sources, contributing to the long-term competitiveness and growth of the European economy. Since its launch, the CEF has clearly demonstrated that the demand for funding of transport projects far exceeds the availability of grants. Grants are targeted towards projects that offer the highest European added value, focusing in particular on cross-border missing links, bottlenecks and multimodal connections.

Furthermore, the absorption of funds available under the CEF Cohesion envelope has been exemplary, indicating that there is a real need for funding of transport projects and that the EU response has been rapid and effective. It is estimated that by the evaluation of the third call for proposals, all the remaining funds will be fully committed to transport infrastructure projects with high EU added value.

The Cohesion Fund delivers a major contribution to the realisation of the TEN-T network.

Following the establishment of the Investment Plan for Europe, the European Fund for Strategic Investments (EFSI) was launched to mobilise at least €315 billion of additional investments across Europe. The EFSI addresses market gaps and mobilises private capital in support of strategic investments in key areas such as transport infrastructure. EFSI contributes towards the financing of transport projects. However, there are also many projects, including economically robust projects, which lack the financial viability to be financed by innovative instruments alone.

Combining CEF grants with EFSI funds ("blending" of financial instruments) may create new opportunities for projects to unlock additional private investments to support the implementation of the TEN-T and to optimise use of the EU budget. This approach should contribute to the realisation of the TEN-T core and comprehensive networks by 2030 and 2050 and the acceleration of sustainable transport solutions. The mid-term review of the Multi-Annual Financial Framework (MFF) 2014-2020 could in this regard provide a timely opportunity to reconsider priorities within the current MFF and available funding resources for transport-related infrastructure.

TEN-T core network corridor work plans

The first TEN-T core network corridor work plans were approved by the Member States in May 2015. They give focus to investments in the TEN-T network and aim to ensure best value for money. This includes investments in projects to promote boost-the competitiveness of rail freight, in particular in the development of Rail Freight Corridors. Investments are also geared towards the deployment of ERTMS, in order to ensure the emergence of a fully interoperable European railway network. Furthermore, investments also cover inland navigation, shipping, sea port infrastructure, intelligent transport systems, alternative fuels, urban nodes and multi-modal terminals, as well as the enabling of seamless multi-modal chains and digital solutions for freight and passengers. This creates unique opportunities for the TEN-T core network corridors to become front-runners of a forward-looking transport system, including innovative technologies and mobility solutions, and to effectively contribute to the decarbonisation of transport and the reduction of external costs.

European TEN-T coordinators

The European TEN-T coordinators contribute to the implementation of the core network corridors, facilitating cooperation at all appropriate levels, promoting project maturity and smooth cross-border implementation, with the aim of developing seamless, interoperable, multimodal transport networks across Europe. This important role of the coordinators may be further developed.

The following conclusions drawn by the coordinators offer the potential to boost the integration of infrastructure development and transport policy objectives, thereby stimulating the evolution towards a forward-looking European transport system:

- to enhance multi-modality and efficient freight logistics, terminal infrastructure, terminal
 accessibility and relevant ICT infrastructure need to be developed from a reinforced
 corridor-wide perspective, as well as with a better integration of user needs and demand
 forecasts; corridors should serve as test cases for the digitalisation and automation of
 freight transport;
- 2. promote the coordinated deployment of Intelligent Transport Systems (ITS) along the TEN-T core network corridors, by facilitating cooperation between Member States;

- to promote innovation and the deployment of new technologies in transport, making optimal use of the results of research and development activities, in particular along the core network corridors;
- 4. to exploit the full potential of alternatively fuelled vehicles and vessels biofuels, electric, hydrogen, natural gas and other fuels which serve as a substitute for fossil fuel sources in the energy supply to transport and which have the potential to contribute to its decarbonisation and enhance the environmental performance of the transport sector and the corresponding recharging and refueling infrastructure to achieve the objective of decarbonising transport; national policy frameworks of the Member States, as per Directive 2014/94/EU¹, should be highly ambitious, cooperation across national borders should be reinforced and the market take-up of alternative fuels should be stimulated through pilot actions along the core network corridors;
- to improve "last mile" connections for people and freight, whereby urban nodes should be better integrated into the core network corridors; sustainable urban mobility plans are of vital importance to achieve this objective, making best possible use of multi-level governance;
- 6. to ensure continuity of the TEN-T network and its core network corridors in different geographical areas and thereby to facilitate trade; international cooperation between the EU and its Member States and third countries on transport infrastructure development should be strengthened, including the development of common standards.

 $^{^1}$ Directive 2014/94/EU of the European Parliament and of the Council of 22 October 2014 on the deployment of alternative fuels infrastructure

Streamlining the regulatory framework

The 2015 Christophersen-Bodewig-Secchi Report contains twelve recommendations contributing to the effective implementation of projects along the TEN-T. Some of the recommendations clearly identified potential bottlenecks in the current legal framework. The European Commission is conducting a detailed study into the regulatory and administrative procedures that impact upon the realisation of TEN-T core network projects, in particular waterborne and cross-border projects with a view to creating an improved framework for investments in the TEN-T network.

The results of the Commission study will be presented in the autumn of 2016, taking stock of good practices and where necessary identifying ways to simplify and streamline procedures for projects of common interest with a view to creating an improved regulatory framework for investments in the TEN-T.

Considering the above, Ministers:

- (1) REAFFIRM the importance of the implementation of the TEN-T network as a key driver for sustainable growth, jobs, competitiveness and territorial cohesion in the European Union.
- (2) EMBRACE the corridor approach and the horizontal priorities as crucial instruments to promote coordinated investments and efficient cooperation along strategic transport axes and between respective Member States in order to ensure a proper implementation of the TEN-T core network.
- (3) UNDERLINE the need to ensure interoperability and to develop multimodality and efficient freight logistics, innovative and intelligent transport systems, urban nodes and alternatively fueled vehicles and vessels and the related infrastructure along the TEN-T core network corridors and other parts of the TEN-T core network, including "last mile" connections and multimodal inland ports, taking into account the corridor work plans and the recommendations of the European TEN-T Coordinators; thereby contributing to the decarbonisation of transport, reducing the environmental impact of the transport sector and increasing its competitiveness.
- (4) WELCOME the work undertaken by the European TEN-T coordinators to further develop the corridor work plans and to facilitate cross-border projects situated on the TEN-T core network corridors.

- (5) TAKE NOTE of the presentation of a detailed implementation plan for Motorways of the Sea that shall be aligned with the TEN-T core network corridors and contributes to a sustainable, smart and integrated maritime dimension of the TEN-T.
- (6) REITERATE support for the deployment of ERTMS, welcoming the development of the new deployment plan for ERTMS that should allow for a more targetted investment strategy, leading to an interoperable internal rail market, taking into account the availability of financial resources and socio-economic cost-benefits, and underlining the importance of the stability of ERTMS specifications in the deployment phase.
- (7) ENCOURAGE cooperation between the TEN-T core network corridors and the Rail Freight Corridors in order to alleviate infrastructure bottlenecks along these corridors and to provide expertise for the elaboration of the work plans and the implementation of the TEN-T infrastructure requirements.
- (8) COMMEND the efforts made by the Commission to improve the competitive strength of rail transport and the functioning and integration of the Rail Freight Corridors.
- (9) ACKNOWLEDGE the need to find apprioriate solutions to tackle the issue of rail noise in the Single European Rail Area.
- (10) UNDERLINE the importance of developing inland navigation and promoting the use of inland waterways by tackling key bottlenecks on the TEN-T core network corridors, providing support for the greening of the fleet and fostering the deployment of River Information Services (RIS).

- (11) TAKE NOTE of the Issue Papers prepared by the European TEN-T coordinators which contribute to the further development of the corridor work plans.
- (12) ACKNOWLEDGE the importance of connecting the TEN-T core network to the infrastructure networks of neighbouring countries, in particular through Motorways of the Sea, focusing on the efficiency of cross-border connections to promote seamless traffic and transport flows.
- (13) INVITE the Commission to continue its efforts to ensure continuity of the TEN-T and Core Network Corridors between the EU and its neighbouring countries, while taking into account all bilateral and multilateral commitments between the EU and neighbouring countries.
- (14) RECOGNISE that TEN-T projects generally have a direct, verifiable and long-term effect on growth and jobs and benefit the competitiveness of the EU as a whole.
- (15) UNDERLINE the significant need for additional funding from public and private sources to cover investments in the TEN-T network, which according to estimates by the European Commission exceed €500 billion until 2020, as well as the €1.5 trillion of investment needs until 2030².
- (16) INVITE the Commission, Member States and the European Parliament to take into account the considerable level of investments still needed to complete the TEN-T network in the framework of the mid-term review of the current Multiannual Financial Framework (MFF) and beyond, and the importance of the CEF as well as ESI Funds in this context.

 $^{^2}$ Regulation (EU) No 1316/2013 of the European Parliament and of the Council of 11 December 2013 establishing the Connecting Europe Facility (recital 15)

- (17) UNDERLINE the need to fully exploit the financing possibilities offered by the European Fund for Strategic Investment (EFSI), focusing on projects that can attract private financing and complementing the funding of the EU instruments in place, thereby taking into account budgettary contraints in Member States.
- (18) ACKNOWLEDGE the need to further explore the possibilities of blending EFSI, CEF and ESIF³ funding and financing for TEN-T projects that have a higher risk profile, underlining the importance of promoting a wide exchange of best practices in this regard, whilst recognising that some projects rely heavily on CEF and ESIF funding for their implementation.
- (19) STRESS the importance to further explore alternative financing sources for infrastructure development, including opportunities for cross-financing and to mobilise alternative resources.
- (20) INVITE the Commission to present an updated assessment of the TEN-T project portfolio by the TEN-T Days 2017 at the latest, taking note of the results of the study on the cost of non-completion of the TEN-T of 15 June 2015⁴ and the proposals for the revised corridor work plans, in order to present new detailed figures concerning potential impact on growth and jobs, including decarbonisation of transport.
- (21) RECOGNISE that the Third Pillar of the Investment Plan for Europe provides an opportunity to streamline European procedural requirements relating in particular to public procurement provisions and state aid rules₇ and CALL for the development and implementation of improved coordinated procedures on such topics, with the objective of facilitating the implementation of projects.
- (22) CALL on the European Commission to assess various ways to simplify procedures for projects of common interest on the TEN-T core network.

10308/1/16 REV 1 FL/il 9
ANNEX DGE 2 A EN

³ European Structural and Investment Funds

⁴ http://ec.europa.eu/transport/themes/infrastructure/studies/doc/2015-06-fraunhofer-cost-of-non-completion-of-the-ten-t-ndf.