

Measure 45: Funding of TENs

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Policy package:

1B: Road investment and technologies

2B: Rail investment and technologies

3B: Air investment and technologies

4B: Sea and inland waterway Investment and technologies package

Measure 45:

In 2001 increase to 20% the maximum funding under the trans-European network budget for the main bottlenecks, including those still remaining on the Union's frontiers with the accession candidate countries, and then introduce conditionality rules.

What is the problem being addressed ?

Realisation of measure 45 will address the same WP objectives as the realisation of measure 44. The only difference is that measure 45 focuses on cross-border / cross-natural barrier sections of priority projects, while measure 44 addresses the entire priority projects, including the cross-border / cross-natural sections too. WP objectives addressed by the measure therefore include:

- *Eliminating bottlenecks.* Measure 45 contributes to the elimination of the bottlenecks by encouraging projects addressing both up-grading and building of new infrastructure for all transport modes, by improving capacity, increasing the LOS and making possible higher level of interoperability of the rail and inland waterways networks of the Member States on the border crossing areas.
- *Revitalise railway.* Border crossing sections addressing railways, for both passengers and freight, will improve interoperability of the rail networks and will make possible the development of more competitive international rail services as an alternatives to road and/or air transport.
- *Shifting the balance between modes of transport.* Measure 45 could eventually contribute to shifting the balance between modes of transport in case border crossing rail sections are realised. Regarding the passenger transport, the new HSR projects contribute to the shift from air to rail of relatively long distance traffic in Europe, while the rail sections addressing directly or indirectly freight will contribute to a shift from road to rail of flows of goods. Border crossing inland waterways sections, as well as the "sea-motorways" sections contribute to the shift from road to these alternative modes.
- *Linking up the transport modes.* Measure 45 creates more opportunities for a better integration between transport modes in the international transport chains.
- *Road safety.* Theoretically all border crossing sections, irrespective of the transport mode, shall contribute in an indirect manner to the improvement of road safety, especially regarding the international traffic flows. First of all the transfer of passengers and freight from road to alternative modes reduces the road traffic flows thus the risks of accidents. Secondly, border crossing motorway sections contribute to road safety by transferring flows from the secondary network, which is always some more unsafe than the motorways, to the new motorway sections.

Measure's costs and/or benefits:

As it has been emphasised by the COM (2003) 561, the budgetary impact of such a change would not be exorbitant, the cost of the cross-border sections of the projects being €15 billion for the period 2007-2013 (this estimate includes the projects in the countries receiving aid from the Cohesion Fund but not the motorways of the sea).

Legislative implementation at the EU level:

COM(2003) 561, amended proposal for a Regulation of the European Parliament and of the Council amending the amended proposal for a Regulation of the European Parliament and of the Council amending Council Regulation (EC) No 2236/95 laying down general rules for the granting of Community financial aid in the field of trans-European networks, proposal based on the conclusions and recommendations in the report by the High-Level Group chaired by Mr Karel Van Miert which worked on the TEN-T guidelines, leading to the parallel proposal to amend Decision No 1692/96/EC on the guidelines for the trans-European transport network. This proposal also takes account of a number of points raised by the recent Commission

communication "Developing the trans-European transport network: Innovative funding solutions", which identifies innovative ways to fund the trans-European transport network. The proposal has been further amended with Regulation (EC) N0 807/2004 of the European Parliament and of the Council of 21 April 2004 amending Council Regulation (EC) No 2236/95 laying down general rules for the granting of Community financial aid in the field of trans-European networks. Official Journal L 143, 30/04/2004.

What are the objectives ?

The objective of the measure can be monitored through the number of cross-border sections financed with the support from the European Commission and value of European support for the projects / budget allocated to these projects (see second page).

Interactions with other WP measures:

The realisation of measure 45 will influence the level of realisation of the following measures: creation of new rail freight railways (measure 16), develop "motorways of the seas" (measure 28), eliminating bottlenecks of inland waterway transport (measure 36), link the future Member States to the EU's trans-European network by means of new infrastructure (measure 74).

However, due to the scale of application of measure 45, links with many other measures can be identified for specific segments of the transport market. Realisation of the measure 45 will have an impact on the level of realisation of border crossing projects of measure 44.

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Output indicators:

Key output indicators are:

- Sections considered for financial support of 20% from the European Commission.
- Level of financial support planned and realised in a given time frame.

Data on the distribution by country and type of TEN-T infrastructure investment of the financial support provided through the TEN-T Community budget and other international source of finance (ISPA, Phare, Structural Funds, European Investment Bank) are available in the database developed under the DG TREN-PLANCO study described in the Measure 44 fiche. The financial support from the TEN-T budget provided by the Community is presented in the following table of the mentioned Study:

Table 7-1: Total TEN-T support 1996 - 2001 in million Euro per mode

	1996	1997	1998	1999	2000	2001	TOTAL
rail	163.70	176.29	269.75	263.80	343.13	283.85	1,500.52
road	27.77	49.82	59.50	62.96	73.40	83.00	356.46
iww	1.50	4.00	8.50	18.24	15.80	9.81	57.85
airports	3.78	21.45	28.60	29.36	11.10	14.73	109.02
ports	3.10	4.70	6.07	3.04	2.50	10.11	29.52
combined transport	0.31	0.00	1.80	9.40	1.50	1.30	14.31
multimodal transport	26.20	56.20	24.00	45.27	34.00	2.00	187.67
air traffic management	18.97	18.60	21.10	12.39	14.70	10.97	96.73
road traffic management	20.50	24.38	16.90	15.68	32.13	25.29	134.89
rail traffic management	10.23	9.00	22.80	22.05	35.00	0.00	99.08
GNSS	10.80	6.60	9.65	14.10	12.00	110.00	163.15
VTMIS (Vessel TM)	2.14	0.98	5.34	1.30	0.90	0.00	10.64
TOTAL per year	289.00	372.00	474.01	497.58	576.17	551.07	2,759.83

After a strong increase from 1996 onwards, total TEN-T support reached its peak in the year 2000 (576,17 million Euro), which was more than twice the amount spent in 1996. In 2001, support was reduced by 5%

compared to the previous year. Between 1996 and 2001 more than half of the budget was spent on rail projects. If rail traffic management is also included, the share of rails adds to 58% of the entire TEN-T budget. The second largest share, although substantially lower, was allocated to roads and amounted to 13% of the total. An additional 4,9% was spent on road traffic management. It is interesting to note that the support for the Global Navigation Satellite Systems (GNSS) in the context of the GALILEO programme has increased substantially and amounted to 20% of total TEN-T support in 2001, making it the second largest beneficiary in that year.

Outcome indicators: intermediate impacts on transport markets

It is expected that the border crossing section to receive 20% financial support from the Commission are found across all transport modes, thus the measure will have an impact on the transport market indicators already identified under measure 44.

Outcome indicators: final impacts on transport users and non users

The outcome indicators of measure 45 are the same as for measures 44 with the only difference that in case of measure 45 only the border-crossing projects are addressed.