DISCUSSION ON STRATEGIC DIRECTIONS FOR THE WORKING PARTY

Identification of potential areas of interest for the Working Party

Note by the secretariat

1. BACKGROUND

Since its creation in 1988, the Working Party on Transport Trends and Economics has focused its activities in two main areas:

- Review and exchange of information on general trends in the development of transport.
- Analysis of specific questions on transport economics.

In the early 1990s, the orientation of the activities of the Working Party was much influenced by the political changes in Europe. The Working Party increasingly became involved in the follow-up to the Pan-European Conferences, development of the Pan-European Transport Corridors and reform of legal frameworks in transition countries.

This trend has even increased since 1998 when, at the request of the Inland Transport Committee (ITC), WP.5 was asked to focus on the development of Pan-European Transport Corridors outside the TINA region.

2. NEW CHALLENGES

The process launched in 1992 in Prague with the First Pan-European Transport Conference is now well advanced. The countries concerned have established Steering Committees for the Pan-European Transport Corridors (in most cases with the support of a more or less permanent
secretariat), and rail and road projects for the corridors have been identified. The process is indeed more advanced in accession countries, where the TINA project has permitted the definition of a network (to be in the future integrated in the EU’s TEN), and where PHARE assistance has permitted to analyse a good deal of transport infrastructure and policy issues. To a lesser extent, TACIS is also assisting Governments in defining and assessing projects, reforming legal frameworks and developing an efficient, market-oriented transport sector.

In a certain sense, it could be said that a difficult stage has been successfully accomplished: Governments are working together around the “corridor” concept, basic tools have been developed for project design and assessment, and priorities have, at least tentatively, been identified. The remaining and vast task ahead mainly refers to project implementation at national level: making sensible priority choices, and getting projects approved, financed and constructed. Any further progress of the Pan-European transport concept will increasingly rely on sensible priority-setting and decision-making processes at the national level.

Recent developments have put a lot of stress on classical decision-making approaches in the transport sector, pushing to open them both vertically (including the views of supra-national, regional and local authorities) and horizontally (integrating transport projects within other public policies outside the transport sector). As a result, formal assessment and approval procedures are being replaced de iure or de facto, by a more flexible, consensus-building approach as a way to compromise among conflicting priorities and goals and to integrate emerging trends such as:

- Modifications in the distribution of administrative responsibility and competencies at the national level;
- Empowerment of regional and local authorities with wider competencies on spatial and economic development, concerned by local impact of national and international projects and by pushing their own regional and local needs;
- More complex participation and negotiation processes, following the emergence of a variety of actors, increasingly concerned about the positive and negative impacts of transport projects on a variety of areas;
- Concerns about the right balance in the priority given to projects of international interest compared to national and regional interests;
- The increasing consideration given to demand-management policies;
- Financing, including user’s pricing and private sector’s involvement.

These concerns are not limited to the development of specific corridors or to particular regions. Nevertheless, some countries have reacted sooner than others in reforming their administrative structures and procedures. Therefore, there is a case for international co-operation in this area, that could foster reforms in the decision-making processes at the national level, refine transport planning processes and, particularly, help the PETrCs’ Steering Committees to make projects proceed ahead.
3. **WP.5 AS A STRATEGIC THINKING TOOL FOR PAN-EUROPEAN TRANSPORT**

The activities of WP.5 in the past offer a good background to get the Working Party further involved in strategic thinking of the Pan-European Transport System: Knowledge on the development of the Pan-European Corridors; monitoring of the regulatory reforms in transition countries; analysis of transport planning and transport economic questions at the Pan-European level, etc. Most of the challenges mentioned above could in fact be addressed within the current WP.5’s programme of work.

In future, WP.5 could increasingly focus its work on developing commonly agreed methodologies, guidelines and recommendations on strategic transport planning and transport economic issues on which legally binding agreement is not indispensable. There are many questions that would merit consideration from the WP.5, such as:

- **Development of effective national frameworks for transport development.** Institutional and political changes throughout Europe are forcing Governments to modify their classical sectoral approach to transport policy, particularly for infrastructure development. The emergence of local and regional authorities and the concerns about both the positive and negative effects of major infrastructure projects justifies the development of new, consensus-building approaches to replace/complement traditional project approval procedures. Increasing weight is given to non-transport considerations in the assessment of plans and projects (including long-term objectives such as regional development potential or sustainability). These considerations become critical while establishing major transport nodes or when transport infrastructure approaches key economic areas, and particularly major cities. Public authorities are re-acting with multiple measures: enlarging public consultations, developing ad hoc organizations in charge of particularly complex projects, establishing contractual agreements on each project’s (or plan’s) guidelines with local and regional authorities, and even with other relevant actors, etc. The need to integrate non-transport objectives has led to the use of innovative tools for planning and project design. The Working Party could serve as a platform to share experiences and to develop guidelines for consistent approaches (rather than current ad-hoc solutions) throughout Europe.

- **Intermodal approach to transport planning.** WP.5 has been following the developments of AGR, AGC and AGTC, as well as TER and TEM networks for a number of years, checking on the “coherence” of the whole European transport system. The Working Party could develop methodologies and guidelines to favour an increasingly integrated and intermodal transport planning so that full account is taken of the various available infrastructures for international traffic. The need to improve existing transport databases as a previous step to permit sensible multimodal analysis could also be discussed here.

- **Transport trends in Europe.** Obviously, this is a vast question that should continue to merit attention by the Working Party, with a view to identify emerging trends, facilitate an extensive exchange of views among delegates and develop precise recommendations to the ITC. Governments have been reporting on new developments in the past, but the information is covering too disparate issues to permit any focused discussion. WP.5 could develop an updated questionnaire focused on recent international transport developments, eventually combined by some experts’ papers and get these informations as a basis for a discussion to be held at its next session. The conclusions of the discussion should
concentrate on strategic recommendations to be further discussed and eventually adopted by the ITC, so that the Committee could develop orientations to its subsidiary bodies.

- **European transport: from infrastructure investment to quality of service.** The development of appropriate infrastructure (linked to the achievement of certain standards) has been in the centre of international activities for many years. This is, for example, the case for the AGR and AGC Agreements (that propose minimum parameters for their respective road and rail networks), or the practical outcomes of the Pan-European Conferences (where the activities of the Corridors’ Steering Committees are mainly focused on the identification of priority projects for infrastructure upgrading and improvement). Although there is an obvious link between infrastructure conditions and quality of service, it seems that this last concept includes other variables, such as travel time reliability and comfort, travel costs (including costs imposed on non-users, i.e. external costs), safety, etc. A proper definition of the quality of service concept could be a first step to harmonize conditions throughout the European networks, and to favour their integration for both passengers and freight.

- **Balancing international and national/local transport needs and objectives.** An opportunity to precise concepts such as peripherality, cohesion effects of transport infrastructure or accessibility.

  The Working Party is suggested to select those items of most interest at the European level, and to establish task groups to deal with them. This approach would permit informal, in-depth discussion and the development of recommendations to be subsequently submitted to the Working Party and to the ITC.