

substantial development plans, like Spain, actual spending was modest. The present economic downturn, under EMU convergence restrictions, seemed unfavorable to public investment. However, growing concerns about the 'new' economy could lead to more private capital being directed to long-term safer investments, if conditions were adequate.

The TENs Conference organized by the EIB in Strasbourg showed the need for European action to create the conditions to increase private sector participation in transport infrastructure provision. Private investment in motorways was envisaged to continue in Spain, Portugal and Greece, but also in Germany and other traditionally "non-toll" countries. However, to consolidate the private participation in the sector and the efficiency sought, it was considered fundamental both that there is competition for concessions and that concessionaires share a long-term view. Many bidders were construction companies sometimes only interested in obtaining short-term profits from the works. On the other hand, most public administrations were relatively unprepared to enter into "partnerships" that required specialized administrative structures and staff. Overall, in spite of the increasing needs, it seemed probable that investment in transport infrastructure will not grow substantially in the next few years, although the private share should make some progress. The traditional business of the EIB - financing public promoters of infrastructure, particularly in the Cohesion countries - was constrained by improved borrowing conditions for public entities brought by EMU. Tight budgetary conditions could reverse now the trend, particularly through the lending to special purpose financing vehicles. Private promoters, on the other hand, often required EIB loans for their long-term commitments. In this context, the Bank can effectively contribute to the establishment of Europe-wide transport infrastructure operators.

The EIB has a particularly important role to play in the improvement of transport infrastructure in the Accession Countries and in the Balkans, alongside the Commission and other institutions. In the Balkans, it is acting as a major player in the definition of an investment strategy in the region based, on a first phase, on the foreseen rehabilitation of the main axes and terminals to establish basic accessibility conditions, which will be followed by a longer-term joint planning exercise to prepare a response to future needs.

Overall, the modest growth of investment foreseen in transport infrastructure could be compensated by an increasing interest both from public and private promoters in EIB products, so the growth trend observed in the past (with a down point in 1999 for the EU) should continue in the next future, unless restrictions are imposed.

Transport projects signed by the Bank in Accession Countries in 2001 totaled about €1 044.90 million.

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