ECONOMIC COMMISSION FOR EUROPE

INLAND TRANSPORT COMMITTEE
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TRANSPORT TRENDS AND ECONOMICS

Pan-European transport infrastructures

Joint ECMT-EU Commission-UNECE-EIB Seminar
"Transport infrastructure development for a Wider Europe"

Summary Conclusions and Follow-up Proposals

Note by the secretariat

BACKGROUND

1. A Seminar on "Transport Infrastructure Development for a Wider Europe", organized jointly by the European Conference of Ministers of Transport (ECMT), the European Commission (EC), the United Nations Economic Commission for Europe (UNECE) and the European Investment Bank (EIB), was held in Paris on 27 and 28 November 2003.

2. The Seminar was held as a follow-up to the decisions taken respectively by the ECMT Steering Group on Transport Infrastructure Planning and Financing and as a part of the UNECE programme of Seminars on Wider Europe issues. At its sixty-fifth session, the Inland Transport Committee had requested that, rather than each organization holding a separate Seminar on the same subject, one Seminar only should be held and that it should be organized jointly by the two organizations.
3. The Seminar brought together about 120 participants from Ministries of Transport of 29 countries, the EC, 3 international organizations, 3 international financial institutions and 10 non-governmental organizations.

4. The purpose of the Seminar was to discuss the issues and challenges ahead at international level in the field of planning and financing transport infrastructures in the Wider Europe (non-acceding European countries and Mediterranean countries) and beyond, including in the Caucasus and Central Asia, in the wake of the EU enlargement and taking into account the increasing globalization of trade. The Seminar also intended to identify a common approach to address those issues and to meet those challenges.

5. The Seminar was structured in 3 main sessions: session 1, on Planning Infrastructure Development; session 2, on Financing the Infrastructure; and session 3, as a Round Table Towards a new Policy. Session 1 was co-chaired by the EC (Mr. E. Thielmann) and the UNECE (Mr. J. Capel Ferrer). Session 2 was co-chaired by the EIB (Mr. M. Turro) and Slovenia (Mr. B. Zivec) as Chairman in Office of the ECMT. Session 3 was chaired by the ECMT (Mr. J. Short).

6. At the beginning of each session, each Chair or co-Chair was invited to present a Keynote Introductory Paper. As co-Chair of session 1, the UNECE presented a keynote paper on “Transport Infrastructure Development in the UNECE”, prepared by the secretariat, outlining the main UNECE transport infrastructure planning activities, including infrastructure agreements, TEM and TER Projects, Euro-Asian Transport Links and planning tools (E-Road censuses, project appraisal methodology). The document is attached (see annex) for easy reference. The UNECE also presented a more detailed background paper on those activities and another paper on Financing of Transport Infrastructure, prepared in the framework of the Working Party on Transport Trends and Economics (WP.5) on the basis of replies from Governments to a questionnaire. Discussions in session 1 were held around a number of Key Points for Discussion that had been agreed upon by the EC and the UNECE.

**SUMMARY CONCLUSIONS**

7. Although the conclusions of the Seminar are still under discussion, the following paragraphs are an attempt by the secretariat to outline briefly the highlights of the discussions at the Seminar and to summarize the main conclusions.

8. There seemed to be broad consensus regarding the strategy to be followed when planning and financing transport infrastructures in the Wider Europe and beyond. Such a strategy would include the following elements:

   a) An appropriate policy and regulatory framework has to be put in place, including further liberalization of transport at international level, increased international
harmonization, interoperability and intermodality, easier border crossing, increased rail competitiveness, prioritization of transport infrastructure projects on the basis of sound economic analyses and further focus on maintenance and rehabilitation of existing infrastructures.

(b) While not denying the long-term value of the network approach as pursued by the UNECE, the Corridor approach appeared more appropriate in the short- and medium-term in order mainly to facilitate priority-setting and to focus planning and financing efforts.

(c) The Corridor approach should, therefore, be pursued as a central element of the strategy for the development of transport infrastructure in Wider Europe and beyond. However, as the existing Corridor layout may become obsolete after the EU enlargement, it may have to be adapted to the new situation. This would mean that some existing Corridors, or parts thereof, would disappear and others would need to be extended or newly created.

(d) While the future new Corridors will focus primarily on links between the EU and its neighbouring countries, the Euro-Asian transport links should be taken into account, because of the foreseeable increase of trade with Asia, particularly with China.

(e) A number of criteria were advanced in order to define future Corridors (the criteria used by the Van Miert Group were specifically mentioned in this respect as a possible basis). For example, future Corridors should be defined on the basis of real needs, accurate data and thorough analyses and projections rather than on political decisions. They should also be conceived in a multimodal perspective, including maritime routes (“motorways of the sea”), and with particular focus on intermodal connections. Interoperability, harmonized transport conditions and rules, including infrastructure charging, and easy border crossing should preside over the whole length of each Corridor. Projects within each Corridor should be identified and prioritized.

(f) Corridor implementation should be made more efficient. To this end, benchmarking should be used to monitor and measure progress. Corridor management should also be improved, including the appointment of a coordinator for each Corridor and the establishment of a permanent secretariat. Moreover, all stakeholders in a Corridor (IFI's, transport operators, Customs authorities, etc.) should be involved in the work. Coordination between Corridors should also be improved. In this respect, mention was made of the possible creation of an international agency for Corridors.

(g) Technical assistance, aimed at capacity building for infrastructure development, was considered crucial: national administration officials should be trained in project appraisal and continuity of trained staff should be ensured.
(h) Adequate financing should be provided, first and foremost from the countries concerned, but also from international sources. Financing, particularly international financing, should be based on economically viable projects, appraised and prioritized on the basis of appropriate methodologies. Coordination among the various sources of financing, including between the various IFI's was considered important. PPP was considered interesting, but, to be successful, countries should be able to ensure the appropriate framework and guarantee its continuity. Continuity was also deemed important with regard to the part of the national budget allocated to infrastructure financing. Finally, at least part of the financing should be generated by dedicated charges, tolls or other user charges, the harmonization of which was needed.

9. In order to implement the above-mentioned strategy, some steps would need to be taken, including the following:

(a) Creation by the European Commission of a Working Group in order to review existing Corridors and make proposals for future Corridors. All concerned countries and IFI's (and hopefully also relevant international organizations like UNECE) should participate in the group.

(b) Carrying out of analyses of existing traffic flows, traffic forecasts and transport legislation.

(c) Determination of the statistical data that will be necessary and establishment of the necessary databases.

(d) Launching of a process of identification of priority projects within the various Corridors in the Wider Europe.

(e) Evaluation of the resources that can be made available at national and international level.

PROPOSALS FOR FOLLOW-UP BY THE UNECE

10. The Inland Transport Committee could contribute to the process of infrastructure development in the Wider Europe deciding on the following proposals:

(1) Request that the transport infrastructure planning activities of the Committee be duly reflected in the Conclusions of the Seminar.

(2) Support the involvement of the UNECE in the yet to be created Working Group that will identify the future Corridors and request that new Corridor proposals take the UNECE Infrastructure Agreements (AGR, AGC, AGTC, AGN), Projects (TEM, TER), work on Euro-Asian links and planning tools (Censuses, Project Appraisal methodologies) duly into account.
(3) Continue to keep the UNECE Infrastructure Agreements up to date in order for them to be relevant for any future transport Corridor identification.

(4) Support the ongoing work on the TEM and TER Master Plan.

(5) Consider undertaking the E-Road Traffic Censuses every two or three years instead of five years.

(6) Request Working Party WP.5 to update the earlier report on Bottlenecks and Missing Links (TRANS/WP.5/R.44), established in 1993, in order to identify current and foreseeable bottlenecks and missing links in Wider Europe, Caucasus and Central Asia.

(7) Request Working Party WP.5 to review the Van Miert Group criteria for project prioritization in order to adapt them to Wider Europe, Caucasus and Central Asia.

(8) Request Working Party WP.5 to identify priority projects in the main transport axes of the various UNECE infrastructure networks in Wider Europe, Caucasus and Central Asia.

(9) Request the secretariat to provide technical assistance to countries in need thereof for capacity building on transport infrastructure planning.
KEYNOTE INTRODUCTORY PAPER

TRANSPORT INFRASTRUCTURE DEVELOPMENT IN THE UNECE

On 1 May 2004, a new era will start in European history when 10 new countries become members of the EU. This development will bring European countries closer to each other and reinforce trade exchanges between them, with considerable impact on the volume and pattern of national and international traffic on the continent as well as on transport infrastructures. This historical turning point will not only have an impact on the current and newly acceding EU countries, but also on the “wider Europe” which borders on the enlarged EU in the East and South.

Within UNECE international transport infrastructure planning is carried out around and on the basis of four main infrastructure agreements, respectively for road, rail, inland water and combined transport. In addition, two sub-regional cooperation projects promote the coordinated development of international road and rail networks in Central, Eastern and South-Eastern European countries. More recently, the planning and development of Euro-Asian transport links has gained momentum. Moreover, UNECE Governments have agreed on common methodologies for transport planning and data collection, including traffic data collection.

UNECE Transport Infrastructure Agreements

They include: the European Agreement on Main International Traffic Arteries (AGR), done in 1975; the European Agreement on Main International Railway Lines (AGC), done in 1985; the European Agreement on Important International Combined Transport Lines and Related Installations (AGTC), done in 1991; and the European Agreement on Main Inland Waterways of International Importance (AGN), done in 1996. These four international Agreements define respectively the E road, rail, combined and inland water transport networks. They also determine the minimum technical norms and requirements according to which the relevant infrastructures should be built. The AGTC also includes operational parameters for combined transport services. Finally, they establish a well known numbering system, in general following a north-south and east-west grid system.

\[\text{ feet note}\]

According to the designations used by the European Commission, the new European Union neighbourhood includes Russian Federation, the Western Newly Independent States (NIS) - Ukraine, Moldova and Belarus, and Southern Mediterranean: Algeria, Egypt, Israel, Jordan, Lebanon, Libya, Morocco, Palestinian Authority, Syria, Tunisia.
Although legally binding for countries that become Parties to them, the UNECE infrastructure agreements give Governments ample latitude for implementation. In particular, they establish neither deadlines nor priorities.

Constantly kept up to date, the UNECE infrastructure agreements are, nevertheless, the only Pan-European governmental basis for the long-term development of coherent international networks for the various modes of inland transport. As such, they were taken as a basis for the determination of the Pan-European transport corridors at the Pan-European Transport Conferences in Crete and Helsinki.

Incorporating already the main roads and rail lines planned for the Eastern parts of the Russian Federation and for the Caucasus and Central Asian countries, the E road and the E rail networks can be taken after May 2004 as a basis for the identification of priority Euro-Asian transport corridors.

The UNECE networks do not cover the networks in Wider Europe southern countries. However, on the basis of the UNECE agreements, the United Nations Economic and Social Commission for Western Asia (ESCWA) has elaborated two agreements that established the road and rail networks respectively of the ESCWA Region.

**TEM and TER**

The Trans-European North-South Motorway (TEM) and the Trans-European Railway (TER) Projects are sub-regional cooperation frameworks created on the initiative of several Central, Eastern and South-Eastern European countries for the coordinated planning and development of their international road, rail and combined transport networks. The current legal basis of each project is a UN Trust Fund Cooperation Agreement signed by the participating countries. Both projects are financed mainly through in cash and in kind contributions from participating countries. Decisions in each project are taken by a Steering Committee composed of participating countries. Both projects have recently been increasingly focusing on Corridor related activities, including secretariat functions of Corridor VI. They are also cooperating with each other in order to explore possibilities for combined transport. The enlargement may have a major impact on both projects in the medium and long term. It will be up to the participating countries to decide on the future role of the Projects.

**Euro-Asian transport links**

Soon after countries in Central Asia and the Caucasus became UNECE Member States, the UNECE Inland Transport Committee decided to include their main international transport links in the E transport networks. The extension of the E road and of the E rail networks was completed in 2000 and 2001 respectively (see above). The extension of the E combined transport network is underway.
The development of Euro-Asian transport links (EATL) is currently being considered in more detail within the UNECE. The prevailing view is that EATL should primarily connect the major regions in Asia with the system of Pan-European Transport Corridors. In pursuing these objectives, it is also felt that in planning the development of Euro-Asian links great attention should be paid to the adoption of transport facilitation measures before large-scale infrastructure investments can be considered.

With this perspective in mind, the UNECE is taking up the planning and development of Euro-Asian transport links in close cooperation with the UN Regional Commission for Asia and the Pacific (UNESCAP). After the development of a joint strategic vision for the development of EATL, which has proposed that planning work focus mainly on the four main Euro-Asian corridors identified at the 2nd Euro-Asian Transport Conference (St. Petersburg, 2000), the UNECE and UNESCAP are about to start jointly the implementation of a new Project on Capacity Building in Developing Interregional Land and Land-cum-Sea Transport Linkages. 17 countries neighbouring the Euro-Asian borders have been invited to participate in the project and to nominate Focal Points. Emphasis will be placed on the application of regulatory and organisational measures ensuring to make the best use of existing infrastructures. This choice will have an advantage for the countries concerned to glean the benefits of improving transport operations in the short term. Additionally, the UNECE-UNESCAP project also intends to contribute to the identification of priority links and projects along the Euro-Asian corridors.

Planning tools

The UNECE has developed elements of a common methodology for transport infrastructure planning at pan-European level, including the intermodal approach to infrastructure planning, definitions of infrastructure bottlenecks and missing links and more recently the “Set of Guidelines for Socio-Economic Cost Benefit Analysis of Transport Infrastructure Project Appraisal”. The UNECE also collects road, rail and inland waterways transport statistical data. In addition, every five years the UNECE undertakes a Census of traffic on E roads. In 2005, in addition to the usual Road Census, the UNECE will undertake for the first time a Rail Traffic Census. The Rail Census will be carried out jointly with the Statistical Office of the European Community (Eurostat).