

Transeuropean Networks

The European Approach to Modern Infrastructure

A Presentation by

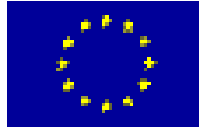
Peter Parlasca MRICS

European Commission

Directorate-General for Energy and Transport, Brussels

at the 8th European Real Estate Society (ERES) Conference

Alicante 27 – 29 June 2001



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European Commission

Directorate-General for Energy and Transport

Transeuropean Network Project Management

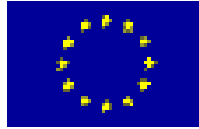
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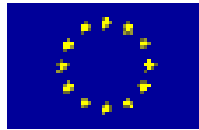
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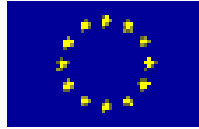
Content

- History of Transeuropean Network Policy
- Legal basis
- 14 Essen projects
- Guidelines for funding
- TEN budget line
- TEN and the private sector
- Challenges in the future



History of TEN Policy

- Nov 93 Treaty of Maastricht: TENs chapter (Art 129 b,c,d)
- Dec 94 Essen council: 14 Priority projects
- Sep 95 Regulation on TENs funding (N° 2236/95 EG incl. Transport, Energy, Telecoms)
- Jul 96 TEN guidelines adopted with annex of 14 Essen projects
- Jul 99 Agenda 2000: 4,6 Billion € for TENs

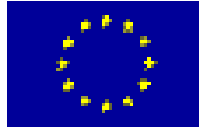


Legal basis I

Treaty of Maastricht 1993

TENs chapter

Art 129 b,c,d

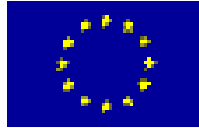


Legal Basis II

- Regulation (EC) No 2236/95 of 18 September 1995

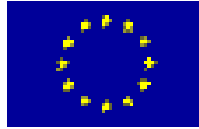
amended by

- Regulation (EC) 1655/1999 of 19 July 1999 including maps for different modes
- Decision No 1692/96 /EC of 23 July 1996



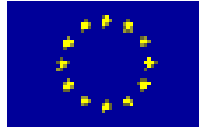
Legal Basis III

- Decisions addressed to member states
- Contracts with organisations (e.g. port authorities, national road administration)



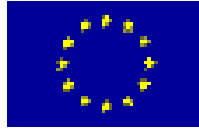
Financial Needs

- Transeuropean Network
to finance over 12 years: 400-500 B €
- rail 50 %
- road 40 %
- inland waterways, ports,
intelligent transport 10 %



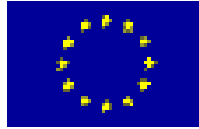
Funding I

- Eligibility in the TEN guidelines 1996
maps for all modes
 - rail
 - road
 - airports
 - ports
 - inland waterways
 - combined transport
 - intelligent transport systems for all modes
- project of common interest



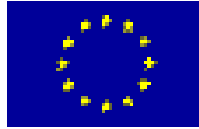
Funding II

- Limits of Funding from the TEN budget
 - 50% feasibility studies
 - 10% projects i.e. works
 - 20% Galileo (as from 2003)



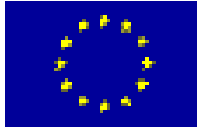
Funding III

- Types of Funding
 - Direct grants
 - interest rebates
 - guarantees (never used)



Funding IV

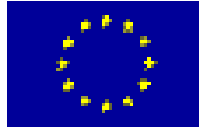
- Infrastructure Funding in other EU programs
 - ERDF funds
 - Cohesion funds (ES,PO,GR,IR)
INTERREG
up to 85% in Objective I regions



Funding

by other European Institutions

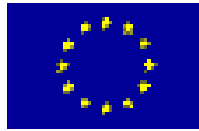
- **European Investment Bank (EIB)**, Luxembourg
more than 10 Bill ECU/€loans since 1993
 - inside EU
 - outside EU: accession countries (TINA-network)
- **European Investment Fund (EIF)**, Luxembourg
(guarantees for TEN-related loans until end of 2000)
- **European Bank for Reconstruction and Development (EBRD)**, London



Essen - Projects

projects of common interest part I

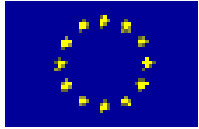
- 3 completed ones
 - IRL Rail Freight Line
 - Malpensa Airport Milano
 - Oeresund Fixed road/rail Link between Malmö and Copenhagen



Essen - projects

projects of common interest part II

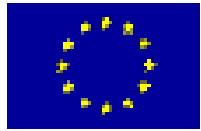
- 6 for 2006
5 High Speed Trains and 1 Motorway
 - PBKAL Paris-Bruxelles-Köln/Frankfurt-Amsterdam-London
 - TGV Sud
 - TGV Est Paris-Metz-Saarbrücken
 - Betuwe Rotterdam-Ruhr area
 - WCML West Coast Main Line UK
 - PATHE/Egnatia motorway in Greece



Essen - projects

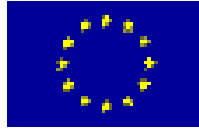
projects of common interest part III

- 3 Clever Corridors
 - Nordic Triangle Multimodal corridor (SW/FI)
 - Portugal-Spain-Centre of Europe
 - Irland-UK-Benelux road link
- 2 Tunnels with Darkness
 - Berlin-*Brenner*-Verona
 - Lyon-*Frens*-Torino-Milano-Venezia-Trieste



TEN Transport budget line

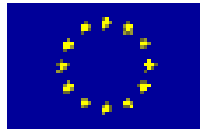
- 1995-1999 1,8 Billion ECU
- 2000-2006 4,2 Billion €(Agenda 2000)
 - up to 75 % Multiannual Indicative Program (MIP)
 - at least 25 % annual programs



MIP 2001 - 2006

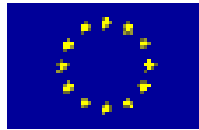
Multiannual Indicative Program

- April 2001 draft proposal 2,8 Bill €
 - 11 Essen Projects 1,3
 - Railway bottlenecks 0,4
 - Cross border projects 0,3
 - Intelligent transport systems (ITS) 0,3
 - GALILEO 0,55



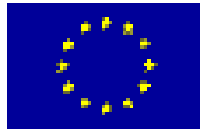
TEN and the private sector

- Examples
 - Channel Tunnel (FR/UK)
 - Oeresund Fixed Link (DK/SW)
 - Tajo Bridge (PO) ERDF
 - Warnow Crossing (DE)



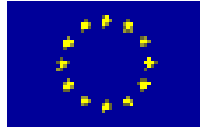
TEN and the private sector

- Lessons
 - Traffic forecasting is always difficult
 - Private management of construction helps to keep on budget
 - revenues from the project cover only parts of construction and maintenance costs
 - to combine new with existing infrastructure can provide additional funding



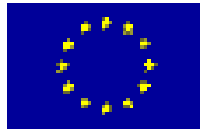
TEN and the private sector

- Conclusions
 - Public Private Partnership (PPP) structures need projects creating a large proportion of revenues from user charges
 - public funds should be equivalent to added value for the public
 - projects with mainly public benefits or with many risks in planning and legislation can be cheaper if paid for from the state budget



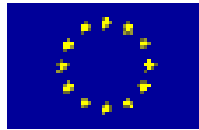
Futur PPP projects ?

- Brenner (AU/IT)
- Lyon-Torino (FR/IT)
- Tarragona-Perpignan (ES/FR)
- Fehmarn Belt (DK/DE)



Challenges in the Future

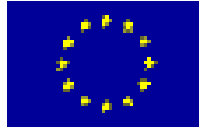
- Traffic increase
 - congestion
 - environment
- Enlargement



Enlargement

accession countries

- Network: TINA Report
Transport Infrastructure Needs Investment
- Funding: ISPA



Responses to Challenges

- White book on transport policy
(in preparation)
 - revision of the guidelines
 - aims
 - maps (minor changes)
 - revision of the financial regulation
 - TEN risk capital scheme