

Final document approved pursuant to Rule 127 of the Rules of Procedure by the Transport Committee of Italy's Chamber of Deputies regarding the Proposal for a Regulation of the European Parliament and the Council on Union guidelines for the development of the Trans-European Transport Network (TEN-T) (COM(2011)650 final 3)

(Doc XVIII, No. 59)

The Committee on Transport of Italy's Chamber of Deputies,

having examined, pursuant to Rule 127 of the Rules of Procedure of the Chamber of Deputies, the Proposal for a Regulation on Union guidelines for the development of the Trans-European Transport Network (TEN-T) (COM(2011)650,

being appreciative of the work done by the Government pursuant to Article 4-*quater* of Law No. 11 of 4 February 2005 to supply useful data for information and assessment purposes in the form of a fact sheet prepared by the Ministry of Infrastructure and Transport, which contributed to a comprehensive preliminary examination of the Proposal;

having taken note of:

- the White Paper on Transport 2011 [COM(2011)144] containing strategic measures to be implemented by 2050;
- the opinions regarding the Proposal expressed by the Economic and Social Committee on 22 February 2012 and by the Committee of the Regions of the European Union on 4 May 2012;
- the important information and assessment reports obtained during hearings with institutional representatives, experts in transport economics and players in the transport sector;
- the Final Document as approved by the Budget Committee and the European Union Policies Committee of the Chamber of Deputies at the sitting of 28 March 2012, following the consideration of the legislative proposals relating to the Multiannual Financial

Framework 2007-2014;

- the opinion regarding the Proposal expressed by the European Union Policies Committee at its meeting of 27 June 2012;

Whereas:

- in submitting the foregoing Proposal for a Regulation, the European Commission put forward a suggestion for the revision of the TEN-T network with the aim of setting in place a modern, interconnected and interoperable transport network capable of eliminating bottlenecks and structural failures that are impeding the Single Market;
- the Proposal involves the creation of a joint European transport network based on two layers with discrete functions;
- the first layer, which consists of a comprehensive network widely distributed through each country (to be completed by 2050 and generally taking into account the extant railway, road, port and airport networks of each country), is intended as a means of attaining the objectives of economic and territorial cohesion;
- the second layer consists of a core network with higher added value for Europe, to be implemented by 2030, and includes the main trans-European transport axes that play a strategic role in the free movement of goods and passengers, and further the full realisation of the Single Market;
- the Proposal also envisages a revision of the policy guidelines to identify projects of common interest in which the corridors, including at least three transport modes crossing at least three Member States, provide the framework instrument for the coordinated implementation of the core network;
- during the negotiations on the revision of the guidelines for the establishment of the networks, it clearly emerged that the interests and priorities of the major Member States of the Union, which already boast advanced infrastructures, had to be balanced with those of the more peripheral States that have less developed transport infrastructures, or are less well connected to the core network;
- in this framework, the new joint trans-European transport network

as envisaged in the two Proposals for Regulations of the European Parliament and the Council, namely TEN-T COM (2011) 650 and COM (2011) 665, regarding, respectively, the identification of the guidelines for the TEN-T networks and the instrument for the funding of the same, is the culmination of discussions among the EU Member States that continued through all 2010 and part of 2011;

- even so, the current design of the TEN-T network should be better adapted to the territorial and socio-economic realities and development opportunities of Italy, which lie in the growth of trade among all the countries of the Mediterranean and Eastern European as well as Northern African countries, and it is therefore to be hoped that the relevant plans will pay more attention to relations with neighbouring countries, encourage political cohesion and eliminate transport bottlenecks through an integrated Europe-wide network;
- to respond to this need, the Proposal for a Regulation itself puts forwards the useful idea of a regular revision of the annexes by means of delegated legislation in order to update the maps of the comprehensive network;

Considering that, with regard to the funds appropriated under the Multiannual Framework 2014-2020:

- the Proposal in question is part of a broader package of proposals (COM(2011) 665, 650, 657, 658) to regulate the new Connecting Europe Facility within the framework of the European Union's Multiannual Financial Framework 2014-2020;
- using a single financial mechanism for the transport infrastructure, energy and telecommunications sectors is a sensible way forward in light of the need to streamline and facilitate the allocation of the EU's financial contributions to infrastructure works by optimising the range of available instruments, standardising the operating rules for their use and promoting synergies between the three sectors;
- the total value of the resources from the EU's Multiannual Financial Framework 2014-2020 that the European Commission is proposing to set aside for the Connecting Europe Facility would amount to 40

billion Euros in commitment appropriations for the entire period, and would be included under the heading of economic, social and territorial cohesion. An additional 10 billion Euros would be allocated from the Cohesion Fund but only to eligible countries, namely those with a pro-capita GDP that is less than 90 per cent of the average of the 27 Member States of the EU;

- considering the total appropriation as set out in the Proposal, 31.7 billion Euros would be earmarked for the TEN-T networks, of which 10 billion would be allocated through the Cohesion Fund to eligible Member States;
- the Commission's recommendation for an increase in the value of co-financing from the EU budget with respect to 2007-2013 is to be commended. The Commission recommends raising the co-financing quota from 10 per cent to 20 per cent for projects of common interest, from 20 per cent to 30 per cent for projects of common interest relating to the core network and from 30 per cent to 40 per cent for cross-border projects relating to the priority network;
- despite a significant increase with respect to 2007-2013, EU budget resources and the co-financing quota for 2014-2020 remain considerably less than what is needed to cover either the total cost of building the necessary infrastructure to meet transport demand in the EU (an estimated 1.5 trillion Euros for the period 2010-2030), or the cost of completing the TEN-T networks (around 500 billion Euros by 2020);
- against this backdrop, we concur with the European Commission's proposal to promote private investment in transport networks through the extensive use of loans and guarantees from the European Investment Bank and innovative financial instruments, such as project bonds, secured by guarantees from the EU budget and the EIB;
- it nonetheless also needs to be acknowledged that in view of the limited funding available from the EU budget, a major issue of project bonds would require a substantial increase in the capital of the European Investment Bank to provide the necessary collateral. For this reason, the proposals put forward to this effect by several Member States at the European Council of 28-29 June 2012 are to be welcomed;

- also deserving of support is the Commission's proposal to activate a pilot project in 2012-2013 for the introduction of project bonds focused on 5-10 advanced projects that would benefit from funding of 230 million Euros from the EU budget and the EIB, which should generate investments worth 4.6 billion Euros;
- several Member States of the EU and the European Commission have indicated that increasing the amount of EU resources destined for the modernisation and expansion of transport infrastructure should be a central part of the strategy to boost growth and employment in the European Union, and would complete the new system of European economic governance;

being therefore of the opinion that, as far as the national territory is concerned:

- the construction works relating to trans-European transport networks are indispensable to increasing the competitiveness of the country, reducing congestion, avoiding the risk of economic marginalisation, fostering economic, social and territorial cohesion and promoting growth and employment;
- the ample time frame for the implementation of the core network offers Italy a golden opportunity to clear the backlog of ongoing but delayed projects;
- in light of the Multiannual Financial Framework, it is vitally important that the criteria used for determining investment priorities are based on the attainment of goals that are in the interest both of Italy and of Europe, and that due account is given to the fact that cross-border transport links are essential to north-south integration;
- the projects selected with reference to the priorities mentioned above need to be subjected to cost-benefit analyses, including on a prospective basis (i.e. that also look forward to the potential of the projects to spur development, traffic and transport demand);

does hereby express a favourable opinion, with the following observations:

with regard to the overall budget, which forms part of the Multiannual

Financial Framework 2014-2020:

- 1) as part of ongoing negotiations on the Multiannual Financial Framework 2014-2020, some thought should be given to the possibility of increasing the resources appropriated to the Connecting Europe Facility in consideration of the great potential that investment in this area has for growth and employment, and its importance for the modernisation of the transport infrastructure network;
- 2) arrangements should be made for the increased use of innovative financial instruments, such as project bonds, which can mobilise additional financing from private investors, and the results of the pilot project for the period 2012-2013 should be considered in this regard;
- 3) backing should be given to the proposals to increase the EIB's capital in preparation for the issuance of loans and collateral in sufficient quantities to cover the investment spending needed to complete the TEN-T networks and encourage the extensive use of project bonds;
- 4) eligibility for grants (which should not amount to more than 5 per cent of total funding) should be extended to include actions relating to the global network;

with reference to the selection and execution of projects:

- 5) the interests and priorities of the major Member States of the Union, which already boast advanced infrastructures, need to be put on an equal footing with the interests and priorities of the more peripheral States and isolated regions whose less developed transport infrastructures and difficult connections to the core network are a permanent and serious disadvantage to them;
- 6) with regard to the foregoing point, proper emphasis should be put on how Italy, in the context of the so-called Mediterranean Corridor, can serve as an ideal platform for cross-border connections between and among European and Mediterranean countries, with particular regard to Italian port facilities and their connections to the islands, especially the larger ones;

- 7) consideration should be given to how the construction of a multi-modal axis linking the ports of the Tyrrhenian Sea with those of the Adriatic and the development of related works on the section of the Adriatic coast forming part of the Baltic-Adriatic corridor can contribute to the realisation of the global network;
- 8) the interoperability of systems and infrastructures and intermodal transport are goals that need to be pursued by concentrating investment spending on infrastructures that are most productive in terms of expected traffic volumes, which should be measured with reference both to current and to potential future demand;
- 9) the definition of an "urban node" as given in Article 47 of the Proposal for a Regulation needs to be rendered more precise so that the expression is understood to refer also to related logistical platforms and port areas along with the connections between ports and inland ports (including minor ones), so that the nodes can come under unified legal and administrative governance and acquire an importance in the context of trans-European transport;
- 10) robust mechanisms of coordination and integrated supranational governance need to be assured for the sake of harmonising the terms and conditions of access and the planning and implementation of the networks;

with regard to project implementation at national level:

- 11) a selection of projects that refer to individual construction works should be made in the light of a meticulous cost-benefit analysis that takes account of the potential development and growth of traffic, transport demand and the effects the works may have on economic and social cohesion. This process ought to prioritise works that meet clearly defined and binding lead times in order to maximise the return on investment;
- 12) for the development of the global network, priority needs to be given to transversal communication routes, including links with the islands, as part of an east-west transport axis which is an essential addition to the north-south axis; works to improve urban nodes should also be prioritised in view of their significance for the economic and social development of vast territories, and the promotion of urban mobility and lower

emission levels should be a central objective in this area;

- 13) the integration of intermodal highways, ports, railways and airports, through the building of new interports that form part of the inter-regional logistic platforms should also be prioritised;
- 14) efforts should be made to ensure stakeholder participation and the involvement of local representatives in the evaluation of projects during all phases of construction;
- 15) work progress reports should be constantly communicated to Parliament, along with any news concerning possible adjustments and changes, including those made at the level of the EU.