

Shaping TEN-T policy for sustainability

Position paper in response to the Green Paper TEN-T: a policy review

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European Federation for
TRANSPORT and ENVIRONMENT

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Introduction

T&E welcomes the European Commission's current fundamental review of the TEN-T policy, which we see as necessary and timely. Our key demands are set out in the first section below, followed by responses to the specific questions posed in the Green Paper.

As one of the most visible of the Community's transport-related policies, T&E has maintained a close involvement in Trans-European Transport Network (TEN-T) policy since the inception of the original TEN-T guidelines in 1996. Our concern has been firstly to seek to ensure that appropriate environmental considerations have been properly integrated into the design of the overarching policy itself and into the design and assessment of the projects that arose from this. We have also been concerned to try to promote a sustainable modal and geographical balance across the TEN-T, such that selected projects should genuinely contribute to a sustainable transport system for Europe. We have repeatedly called for the TEN-T policy to undergo a holistic evaluation on the basis of environmental impacts. Sadly, however, this has often been far from the case.

Priorities for the policy review

1 Start with defining public policy objectives TEN-T policy should deliver.

Contrary to the claim that the Green Paper heralds the starting point of a 'fundamental' review of TEN-T policy, the paper is still written with the assumption a multimodal transport network is the answer, without asking the crucial question what it is for: which public policy objectives should TEN-T policy deliver? This lack of clear criteria means that any future review can be justified, regardless of the public benefits. Maybe even more importantly, it also deprives the Commission of an essential tool to separate good from bad plans pushed by Member States. Such a fundamental debate is urgently needed. The absence of a recognised philosophy what TEN policy is for, and what it should deliver, does severely weaken the policy as such. A Green Paper would have been the ideal place for such a debate, but it's not too late.

This discussion could include questions like: isn't the central objective actually providing connections and accessibility to benefit people, rather than physical infrastructure that generally benefits business (high speed rail, motorways, heavy freight)? Shouldn't we place much more emphasis on value for money and a proper assessment of real bottlenecks? Shouldn't the policy fully contribute to our climate and energy objectives, instead of just paying lip service to it? This submission will examine these questions in greater detail.

2. Undertake comprehensive strategic *economic, environmental and social* assessment of each policy option, including greenhouse gas reduction as a central criterion

Policy options must be assessed according to their impact on greenhouse gas emissions. Plans and projects which offer lasting emissions reduction should be favoured.

The introduction to the Green Paper rightly highlights climate change as the most pressing environmental issue that we face and states that climate change objectives

should be placed at the centre of future TEN-T policy. This important shift in emphasis is both urgently necessary and welcome; and will have far-reaching implications for future TEN-T policy. The transport sector has long proved to be the most intractable of sectors when it comes to reducing greenhouse gas emissions, and remains the only major sector where emissions continue to rise (EEA (2008), *TERM 2007*). This trend must be reversed as a matter of urgency if the EU is to meet its own targets of a 20% or even a 30% reduction in greenhouse gas emissions by 2020, and TEN-T must contribute fully to this aim. This is particularly important as TEN-T policy must not promote further lock-in to unsustainable transport infrastructure and instead set a new direction that is climate-compatible.

We consider the oft-quoted figures on greenhouse gas emissions reduction from the TEN-STAC study (2003) to be unrealistic because a) they do not properly include rebound effects of infrastructure construction on transport demand growth and b) they seem to be overly optimistic on the potential and effects of modal shift. A new assessment of the various policy options is urgently needed, which must guide policy choices. We call, in particular, for a Strategic Environmental Assessment of the policy options to accompany the review.

3. Carry out scenario analysis of future transport needs

Although there are many welcome elements to the consultation, a worrying trend is the seemingly continued assumption that freight transport must increase and that infrastructure must cater for it in an unqualified way (under 'expected transport demand'). However, Green Paper also notes that there are many uncertainties in future demand projections.

Europe's transport needs should be assessed taking into account all policy objectives, including greenhouse gas emissions reduction. Long-term transport scenarios must be outlined, which detail all of the impacts arising from each policy choice, including in particular modal shift and induced transport demand arising from new infrastructure projects. We insist that the Commission includes a "transport-efficient" scenario, which assumes the use of demand management instruments, including infrastructure pricing (reflecting internalisation of all external costs) and considers transport infrastructure needs accordingly.

We broadly welcome and agree with the analysis of past weaknesses of policy outlined in the Green Paper. In particular that the insistence by various interested parties has led to an unmanageably broad set of objectives and a lack of specific criteria for TEN-T projects. This has indeed led to a lack of focus and often a poor use of public funds on unsuitable or low-benefit projects. It is essential to learn from these experiences, for which a thorough ex-post analysis of completed projects and work-in-progress is necessary

It goes without saying that thorough, independent and transparent cost-benefit analyses are essential at the earliest stage of project planning. Limited EU funds must be concentrated on creating benefits, for the largest number of citizens, which would not otherwise arise via investment from national or private sources.

For example, projects which are demonstrated to reduce greenhouse gas emissions should be favoured, as these bring benefits, not just locally or along one corridor, but to all EU citizens (and globally) ahead of those which just offer a positive benefit-cost

ratio. Under this rationale, TEN-T funding should be steered towards projects which lead to lasting emissions reduction and reduced energy use. (see also point 5)

4. Apply strict conditionality of funding allocation depending on rigorous and audited application of EU environmental legislation

One of the stated aims of the TEN-T policy is to integrate environmental protection requirements with a view to promoting sustainable development. Indeed, this is an overarching Treaty requirement which legally must be respected. However, as the introduction to the Green Paper (p.3) acknowledges, future TEN-T policy needs to reflect established European objectives – including environmental objectives – much more than it has done to date. If the Community is to lead by example in delivering truly sustainable development, it is essential that EU transport and environmental policies are made fully consistent and compatible.

The current priority projects list gives several causes for concern: A multi-NGO study in 2008 on the potential conflicts between the TEN-T Priority Projects and the EU's Natura 2000 network of protected areas found that 379 sites that should be protected by the EU Birds Directive and 935 protected under the Habitats Directive are likely to be affected by the 21 TEN-T Priority Projects analysed.¹ This in itself illustrates the high sensitivity of our natural ecosystems to just a handful of major transport projects: the impact of the whole TEN-T network including supporting infrastructure would be far greater unless there is a major change in the underlying priorities to be signalled in the revised guidelines. Again, watercourses and maritime areas merit particular attention.

The European Parliament has noted,

“frequently the EU laws which have been put in place are very often not powerful enough to protect the environment: they fail to correspond to their objectives. The Directive on Environmental Impact Assessment is but one example when an essentially procedural directive may ultimately have no effect on preventing massive infrastructure projects, contrary to what [petitioners and] European citizens expect”²

Climate change and biodiversity are probably the most severe environmental challenges we face, but must be set alongside a range of others. The Commission must strongly insist on the proper application of the Directives on Strategic Environmental Assessment (2001/42/EC) and Environmental Impact Assessment (85/337/EEC), as well as the following relevant pieces of EU legislation:

Issue	Relevant legislation
<p>Water supply will be a cause for serious concern, and perhaps outright conflict, in Europe in the near future. Inland waterways projects must be planned on the principle of adapting the vessels to the waterway rather than vice-versa.</p>	<p>Water Framework Directive 2000/60/EC</p>

¹ See: http://www.birdlife.org/eu/EU_policy/Ten_T/index.html

² 2008/2028 INI, report on the 2007 activities of the Petitions Committee

<p>Transport systems necessarily converge close to settlements, and can sever communities. As a result, transport is the principal source of noise nuisance in Europe and there is still endemic non-compliance with air quality limit values. The result is negative impacts the health and quality of life of millions of citizens.</p>	<p>Aarhus Convention – public access to information, participation and justice; Environmental Noise Directive 2002/49/EC Air Quality Framework and daughter Directives 2008/50/EC, 2004/107/EC</p>
<p>We are very far from meeting our goal of halting the loss in biodiversity across Europe, and in its nature, large scale transport infrastructure poses distinctive and unique threats. For example, high speed road and rail routes can often threaten unspoilt protected areas far away from towns and cities because of their particular siting requirements, whereas ports and extensions to ports can threaten delicate marine and estuarine habitats.</p>	<p>Birds and Habitats Directives 79/49/EEC, 92/43/EEC</p>

TEN-T policy has an important role to play in ensuring that future transport infrastructure development delivers improved environmental quality.

The Community target of halting the loss of biodiversity by 2010 clearly will not be achieved. This is extremely regrettable. Project planning must refer to Biodiversity assessments at the earliest stages. The European Environment Agency (EEA) is developing a set of biodiversity indicators to underpin the Commission's post-2010 policy framework, and these too, along with future developments of the Natura 2000 network, must be fully reflected in future TEN-T guidelines. Initial work by the EEA suggests that if the current decline of European ecosystems is not halted and reversed, our own food and water supplies will be adversely affected as well as the natural habitats, so we should regard this as a matter of self-interest as well as environmental protection.

This concern must be addressed. We appreciate a recent Commission decision not to grant funds to a project where there was cause for serious doubt over the quality of the Environmental Impact Assessment. Such a decision is not only helpful in the specific case at hand, but, even more importantly, also sets a precedent for other authorities and future projects that EU environmental legislation is to be respected. Therefore we call for more such conditionality in allocation of funds. Project promoters must demonstrate beyond question that all relevant environmental legislation has been respected in project planning.

We strongly advocate **setting up a European agency to audit the quality and accuracy of Environmental Impact Assessments**. Funding should come from existing infrastructure budgets. EIAs are all too often of questionable quality, independence and transparency (for example, 'salami slicing' of projects into smaller sections to steer towards positive assessment). The agency should have a mandate to carry out audits of EIAs where doubts are raised by affected stakeholders, and also to carry out spot checks to ensure that EIAs are of a consistently high standard – and this in all policy areas where EU funding is applied for, including applications for Cohesion Funds for transport projects.

5. Apply the polluter pays principle, internalisation of external costs to all projects

With regard to a future European economy focused on transport-efficiency, we emphasise the role of charges and taxation in influencing transport demand. Setting fair prices for transport is proven to be effective at reducing negative impacts, and can do much to steer the Community towards a more rational use. Charging and taxation must be parts of a package to attain widespread improvements whilst minimising the need for controversial and costly new construction projects (see also point 6).

We can observe some decoupling of transport demand from GDP in passenger road traffic: for example, road freight has grown even faster than GDP in recent years, and growth in vehicle-km has outstripped growth in tonne-km. But this decoupling is in the wrong direction and indicates that freight growth has been very inefficient in contributing to our welfare, and that road freight transport itself is becoming less efficient (trucks are travelling with lower capacity utilisation over longer distances).

We insist that polluter pays principle must be fully applied to all (EU-supported) transport plans and projects. Future Community funding must be conditional on the application of charging principles including internalisation of external costs (e.g. Eurovignette Directive) throughout the network. Also, in assessing the economic value of EU transport projects, proper pricing needs to be included in demand forecasts. If this does not happen, projects are likely to stimulate unnecessary transport.

6. Focus on “smart” upgrading of existing infrastructure

This TEN-T review necessitates a more fundamental policy shift than merely directing funding support towards more environmentally 'benign' modes. A radical rethink is needed, we should in fact focus on *reducing* the need for new infrastructure, which should only be resorted to in the absence of better ways to achieve the policy objectives. This approach has economic as well as environmental benefits. *Existing* transport infrastructure can be used in a smarter, more efficient way across the entire European network. Focussing on efficiency benefits all regions, all modes and a larger number of Europeans, rather than just the localised benefits expected of new construction projects.

T&E advocates using the limited funds available to maintain and upgrade existing transport infrastructure. It is strange that TEN-T policy funds extremely expensive 350 km/h high speed rail projects in one country, while at the same time in many countries the conventional rail system is crumbling down, often reducing maximum speeds to 80 or even 60 km/h, a situation that could have been avoided with limited investment.

Intelligent transport systems, including charging infrastructure, information, ticketing and signalling systems, collective transport, regional and urban projects should be eligible, as well as measures to support walking and cycling, as these may be able to offer excellent value for money and substantial emissions reductions. Upgrading is also an opportunity to improve safety and should include stricter speed controls and better enforcement of relevant legislation, including labour legislation. One example could be electrification of rail infrastructure in regions where rail is currently diesel-powered. ETRMS is another good example, which merits continued support. Funding for electrification of infrastructure must give clear priority to sustainable renewable energy sources.

7. Undertake thorough, timely and transparent public consultation

We welcome the widened stakeholder dialogue that appears to be reflected in this Green Paper, and hope that it does indeed reflect a more open approach to TEN-T policy. In the past it has appeared that policy has been driven by vested interests (including some Member State governments) operating in a far-from-transparent way, and that voices reflecting wider public policy interests have been sidelined.

Thorough and timely consultation of affected groups at policy, plan and project level will doubtlessly improve the quality of the projects and therefore enhance the viability and value for money of EU spending in this field. As numerous recent cases have proved, proper consultation, in the pre-planning stages of a project are essential to avoid serious conflict, including legal disputes, which are time-consuming, costly and ultimately discredit the policy.

Responses to consultation questions

Q1 Should the Commission's assessment of TEN-T development to date cover any other factors?

As said before, what's clearly missing from the Green paper is a thorough assessment of the public value that TEN-T policy should deliver. The Green Paper says "the central question is how to shape the future multi-modal network and how to ensure timely completion". In our view, the central question of any review that calls itself 'fundamental' is what sort of public benefits a future TEN-T policy should seek to deliver, what kind of criteria it should fulfil, in other words, a truly open-minded review.

As noted above, the renewed emphasis on climate change and greenhouse gas emissions is very welcome. However, it must be understood that this covers not only the necessary *adaptation* of future transport infrastructure to climate change effects, but also a clear component of *mitigation* through real and absolute greenhouse gas reductions. As mentioned in the priorities outlined above, all environmental considerations must be properly taken into account, by means of correct and audited application of EU environmental legislation.

Reflecting this, the Commission should now undertake a new strategic *economic, environmental and social* impact assessment of the entire TEN-T network. This should be undertaken jointly by DGs TREN and ENV, with support from the relevant agencies EEA and TEN-EA. As well as assessing the full range of impacts, it is important that it develops a robust methodology to ensure that all the impacts sketched out above are fully accounted for, and inter alia it must demonstrate that any network developments genuinely contribute to a net *reduction* in greenhouse gases relative to the baseline case.

Such an assessment will require a rigorous approach to system boundaries, and to the assessment of induced demand and modal shift. That is, it must reflect that even an increase of capacity of a generally relatively benign mode such as rail does not automatically bring environmental benefits. Such benefits will only occur if rail transport itself is sustainable (i.e. has no excessive speeds, runs on green electricity, and does not cut through valuable nature areas) and if it leads to a genuine and lasting reduction of road or air traffic. Equally, eliminating a bottleneck may reduce certain forms of pollution in the short term by improving traffic flow; but unless flanking measures such as road pricing are also applied, such improvements will generally be quickly overwhelmed by the impacts of induced traffic growth.

Q2 What further arguments are there for or against maintaining the comprehensive network, and how could the respective disadvantages of each approach be overcome?

There is clearly a need for a network approach to be maintained, as without it the network benefits of the policy cannot be demonstrated and even the underlying objectives cannot be tested against what is proposed. However, in future a much tighter definition of what is included is needed, as in the past the term 'comprehensive' has been used as a euphemism to justify the inclusion of the favoured projects of all Member States and other interested parties, irrespective of how great the benefit or the environmental cost.

In future the methodology for accepting which projects are included in this must be significantly strengthened and include a proper and universally-applied assessment of the environmental impacts. Historically many routes and projects which were included with little or no prior environmental assessment, and this has greatly undermined support for the programme as a whole. The current procedural weaknesses in the environmental assessments carried out for plans and programmes for EU funds must be rectified. This can be achieved in part by a more rigorous SEA approach that would have been excluded or modified many of the worst projects from the outset.

Equally, assessments should apply a far more rigorous approach to the Community *benefits* of accepted projects, and apply these criteria for the future equally across the whole Community. Currently, for example, high speed rail lines of very questionable economic benefit are being supported in parts of Western Europe, while in many of the new Member States existing infrastructure is crumbling away through lack of investment. These problems will be exacerbated in the coming years by the current economic crisis, and the Commission should act decisively to redress such imbalances if the credibility of TEN-T policy is to be restored.

This also argues for some reframing of the TEN-T priorities away from major new infrastructure, and more towards the support and judicious upgrading of existing infrastructure.

We would agree that Member States need to assume more binding responsibility for projects and their outcomes, but enforcing this is problematic in relation to planning and territorial integrity. Instruments should however be reviewed to include a much stronger element of conditionality to ensure that high environmental and other standards are maintained across the whole of the EU.

Q3 Would this kind of priority network approach be better than the current priority projects approach? If not, why not and what are the particular strengths of the latter? If so, what (further) benefits could it bring, and how should it be developed?

Yes, in principle a geographically defined and prioritised network approach is preferable, provided it is developed transparently and fairly on the basis of the strategic assessments outlined above. A project approach is too piecemeal and cannot be shown to deliver the claimed network benefits of TEN-T.

We would strongly agree that climate change mitigation should be a top priority (strictly defined as outlined above), matched only by protection of biodiversity. However the long lists of possible objectives and criteria set out on pages 8 and 9 of the Green Paper are far too long and vague, and could in the end justify the inclusion of more or less any proposed project as is currently the case.

Application of the polluter pays principle (for example via the methodology set out under the proposed revision of the Eurovignette Directive) should also be an absolute precondition for inclusion of any projects in the network.

Q4 Would this kind of flexible approach to identifying projects of common interest be appropriate for a policy that, traditionally, largely rests on Member States' individual infrastructure investment decisions? What further advantages and disadvantages could it have, and how could it best be reflected in planning at Community level?

No – this ‘conceptual pillar’ approach, insofar as it can be understood at all, appears to open the way for any Member State to justify any project according to its own criteria, and is precisely the sort of ill-defined approach that has led to many of the problems outlined. This will not be a ‘conceptual pillar’ but a ‘heap of concepts’. It is important that, for the future, if Community funds are to be committed to a project, then Community rules and a uniform set of Community definitions and criteria must apply.

Q5 How can the different aspects outlined above be best taken into account within the overall concept of future TEN-T development? What further aspects should be taken into account?

The consultation rightly emphasizes the primacy of climate change mitigation, while mention has been made above of the application of the polluter pays principle. For both of these reasons, further Community support for aviation infrastructure cannot be justified.

Q6 How can ITS, as a part of the TEN-T, enhance the functioning of the transport system?

It is disappointing that the focus of TEN-T is almost exclusively placed upon the physical movement of goods and people, and that other non-transport applications of ICT are not more fully integrated. For the future it is clear that the processing power and communications capacities of ICT technology will greatly outstrip the possible expansion of physical transport infrastructure. The overall policy should therefore place far greater emphasis on ‘smart’ infrastructure that will support better management and pricing of the movement of goods and services.

However it should also be extended to other possibilities for forms of ‘connectedness’ such as teleworking, teleconferencing, etc that can help us to *avoid* unnecessary physical movements and hence of unnecessary and costly infrastructure developments. Far greater emphasis on such possibilities should be incorporated, along with an explicit recognition that this would not oppose the rights to free movement of goods and people, but would in fact greatly extend them.

ITS can also play a big role in enforcing current regulations, for example on vehicle weights, and on safety and working time regulations, with huge public benefits. TEN-T policy should also help unleash that potential.

Q8 Would this kind of core network be "feasible" at Community level, and what would be its advantages and disadvantages? What methods should be applied for its conception?

We strongly urge a reassessment of the overarching policy objectives, and of the best ways to attain these with a package of policy instruments and minimal new infrastructure construction. Where no suitable alternatives are identified, we support the concept of a core network as an approach for enabling integration of environmental objectives into TEN-T policy up front and enabling a focus on the highest transport priorities, provided that rigorous analysis and environmental safeguards are applied across the whole network.

Q11 What are the strengths and weaknesses of existing Community financial instruments, and are new ones needed (including "innovative" instruments)?

How could the combined use of funds from various Community resources be streamlined to support TEN-T implementation?

The existing system has clearly enabled Community funding of unsustainable and extremely damaging projects. This has undermined the credibility of TEN-T policy and must be avoided for the future. A much stronger conditionality must be applied to all Community funding to ensure that Member States meet all their obligations and apply the highest standards of environmental protection.

A further point is that a stronger element of Community added-value should be a condition of all funding. That is, funding should be proportionate to a genuine reflection of Community-level benefits, and should not merely substitute for what should properly be funded by individual Member States. This should be accompanied by a much stronger focus on value for money in social and environmental, as well as economic, terms.

Q12 How could existing non-financial instruments be improved and what new ones might be introduced?

First and foremost the Commission should focus on much better enforcement of existing EU nature legislation and the application and quality improvement of required environmental assessments (both SEAs and EIAs). Additional resources might also be offered where these provide genuine inducements towards better compliance.

Further guidance on integration of environmental concerns into transport planning and development is also clearly needed in relation to both international corridors and national network plans. Climate change mitigation and protection of biodiversity are two major areas where current approaches have clearly proved inadequate in the transport sector in particular, and stronger application of Community laws is needed.

Q13 Which of these options is the most suitable, and for what reason?

Of the options proposed, we believe that option 3 would in principle be the best approach. However, we strongly believe that the 'conceptual pillar' element must be far more tightly defined or abandoned altogether.

In general a far stronger spatial planning framework is needed to properly underpin a set of trans-European networks, but we recognize the limits of Community competence in this area. The Commission must nonetheless work closely with all the relevant Member States to improve the underlying framework and ensure greater environmental protection. Such improvements should be a precondition of future Community funding or other forms of support.