

**REALIZING
THE TRANS-MEDITERRANEAN
TRANSPORT NETWORK
A CHRONOLOGY**

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EXECUTIVE SUMMARY

The definition of a Trans-Mediterranean Transport Network (TMN-T) is the result of a long process of cooperation between the European Union (EU) and its Southern Mediterranean partners. The process was launched in November 1995 with the adoption of the Declaration of Barcelona. In the Declaration, participants agreed to cooperate in the area of transport and they “stress the importance of developing and improving infrastructure, including through the establishment of an efficient transport system”.

This paper reviews the process of defining the TMN-T from a technical and an institutional perspective and proposes a road map to move TMN-T forward towards implementation. The process of the definition and implementation of the Trans-European Transport Network (TEN-T) is taken as a key reference. The European TEN-T Policy has successfully mobilized EU Member States around projects of European interest, in spite of the fact that more than three quarters of the financing resources have come from national and private sources. This is a good example that the combination of an efficient institutional cooperation framework and international funding is effective in moving projects of trans-national interest forward, in spite of domestic pressure to focus action on national priorities.

The consolidation of Euro-Mediterranean cooperation in the field of transport has proved the enduring commitment of all partners to create an efficient system for the region. The European Transport Forum (ETF), a high-level group of senior transport officials, has steered the process since 1999 with the support of working groups. Since 2003, funding has increased through the Euromed Transport Project financed by the European Union, including the development of complementary activities and studies.

The activities of the ETF were backed at the Ministerial level at the Summits of Marrakesh in 2005 and Lisbon in 2007, giving way to the adoption of a Regional Transport Action Plan (RTAP). A major action within the RTAP is the identification of a transport network (TMN-T) with the support of a Working Group under the auspices of the ETF.

During this entire process, the leading action of the GTMO 5+5 moved matters forward in order to confront more specifically the need to develop a TMN-T and the infrastructure issues as a priority for the ETF.

Building upon the definition of priority projects, the activities of the ETF have progressed towards the identification of an agreed comprehensive Trans-Mediterranean Transport Network. TMN-T is thus being structured as a multilayered network, mirroring the evolution of TEN-T. As the TEN-T process towards the definition of a core network makes progress, it would be advisable to define a core network for TMN-T so as to avoid the limitations that TEN-T experienced in the past and help focus on critical links, while keeping in mind the network as a whole. In this context, the implementation of appropriate coordination mechanisms with the national planning of transport networks would be necessary to guarantee smooth development of the network and maximize the impact of European funding.

In this regard, the TMN-T exercise should respect national priorities and plans without giving the impression of trying to put additional controls on national planning priorities. Regional integration is still in its infancy in the region and TMN-T should try to invigorate it. As financing should probably focus on key international elements of the network, the approach would successfully influence national policies as far as the funded TMN-T projects are part of a coherent and self-contained core network, and have great potential for the development of a trans-national multimodal transport system.

In January 2010, the ETF Working Group on Infrastructure held a discussion on the second version of the TMN-T, which is now almost completely defined, except for a very few links still under discussion. At that meeting, in parallel with this definition, the countries began a discussion on the need to create and develop new and creative financing mechanisms to support the implementation of this network. An almost completely defined network was discussed as the third version during a meeting of senior officials in Jordan in April 2010.

The European Union's experience with the planning and implementation of TEN-T offers an excellent reference for the Mediterranean. The definition of TEN-T was also a lengthy process that gave way to the adoption of the TEN-T Guidelines in July 1996 (Decision 1692/96/EC), shortly preceded by the approval of a financial instrument in 1995.

TEN-T has been financed from five sources: the TEN-T program, EIB/ERDB loans and guarantees, Cohesion Funds, the European Regional Development Fund (ERDF) and national funding. The contribution from the specific TEN-T fund has been quite modest. National contributions are the predominant source of financing and have increased their share in the total funding of TEN-T over the years.

The experience of TEN-T shows that any international transport network will have to be financed mainly with national funds. International funding has little impact when it comes to speeding up project completion. A question therefore arises about why it has been so relevant for Europe. One likely reason is that international funding helps national governments review their priorities and give more attention to projects of international interest. Additionally, complex bilateral negotiations among countries for cross-border projects and common standards are speeded up by the existence of a multilateral framework in which these questions are given a global answer. These considerations, when taken together, provide well-founded arguments for setting up a financial mechanism for funding TMN-T.

European contribution to the financing of TMN-T should be seen as an opportunity to foster the convergence of the transport systems in the entire Mediterranean region and to put Europe's broad-based expertise in the transport sector at the service of sustainable development. This also opens new opportunities for the European industry in the sector.

The current situation of the transport system in the region is, at the same time, a big opportunity and a major threat: there is the opportunity of developing modern transport systems by making use of the European instruments and tools developed in recent years in the fields of regulation, technology and management. Because some major Mediterranean countries are implementing ambitious transport infrastructure plans from a national perspective, there are significant risks that they will adopt a number of decisions that could make it more difficult and more costly to interconnect their networks in future (particularly for rail and short sea shipping). Operators could subsequently face greater technical barriers to efficiently operate international transport services.

Because the Mediterranean region does not yet have a uniform regulatory system, the *acquis communautaire*, in cooperation with multilateral agreements (which have in some cases not been ratified by some Mediterranean Partners), could act as a reference to quickly put a uniform regulatory framework into place for the development of TMN-T. For the sake of network efficiency, access to TMN-T financing mechanisms could be linked to some specific conditions, such as the typology of the transport projects, which should be a part of a core or priority network, and the implementation of a consistent regulatory environment.

At this initial stage, the main objective of creating a TMN-T Fund would be the consolidation of cooperation processes launched in the transport sector in the region since the early 1990s, and to progressively move Mediterranean countries towards reinforced cooperation. The focus on international transport should facilitate the growth of South-South exchange flows.

A TMN-T fund with a reasonable four-year horizon should make it possible, at the end of the programming cycle, to increase the funding dedicated by Southern Mediterranean countries to the TMN-T priority projects, to increase efficiency and reduce costs for international traffic, and to consolidate best practices from international to national transport.

The TEN-T experience offers an acceptable basis for calculating initial estimates of financial needs for TMN-T. TEN-T financing (from the TEN-T program) accounted for only 3% to 5% of the total investment in priority projects. Thanks mainly to the ERDF and Cohesion Funds, total European financing amounted to less than 10% (not including EIB loans) for those projects.

In the case of TMN-T, considering the lack of alternative European funding, a higher horizon of a grant of around 10% to 20% of the total costs of the priority projects could be considered when establishing a horizon for priority projects. This could provide an initial figure of the total funds required. In practice, the TMN-T Grant Fund could be derived from ENPI, rather than established as another independent instrument, and a better-suited instrument could be established in the forthcoming budget period for 2014 onward.

Mediterranean countries should play a relevant role in the approval of priority projects and the decisions leading to the allocation of funds. In this regard, the ETF or a similar Committee of Senior Officials would give final approval (submitted to approval decisions within the EU system) to the annual financial contributions to individual projects.

Technical assessment of financing proposals should ideally be carried out by an independent body. The secretariat of UfM could be responsible for the management and evaluation of proposals, initially with the support of the TEN-T Executive Agency, thus benefiting from its experience in the assessment of TEN-T proposals, and progressively take charge these activities within the Secretariat itself.

THE PROCESS TOWARDS A TRANS-MEDITERRANEAN TRANSPORT NETWORK (TMN-T)

1.1. Defining the TMN-T: Background

The definition of a Trans-Mediterranean Transport Network (TMN-T) is the result of a long process of cooperation between the European Union and its Southern Mediterranean partners.

The process was launched in association with the definition of the Pan-European Transport Corridors (PETC) at the second Pan-European Conference of Ministers of Transport (Crete, March 1994; the first Conference had been held in Prague in 1991). PETCs, also referred to as Crete corridors, were conceived as the main transport infrastructures connecting the European Union with its Eastern Neighbours and Russia. They did not include any considerations for the Mediterranean area.

One year later, in November 1995, with the adoption of the Declaration of Barcelona, the Euro-Mediterranean Partnership, or Barcelona process, was launched. In the Declaration, the participants agree to cooperate in the area of transport and they “*stress the importance of developing and improving infrastructure, including through the establishment of an efficient transport system...*”

The work programme of the Declaration of Barcelona already includes, in the paragraph dedicated to transport, the three main guidelines of a future TMN-T: a multimodal system; consideration of South-South (or East-West) land links; and connection and interoperability with the Trans-European Transport Network (TEN-T).

“Efficient interoperable transport links between the European Union and its Mediterranean partners, and among the partners themselves, as well as free access to the market for services in international maritime transport, are essential to the development of trade patterns and the smooth operation of the Euro-Mediterranean partnership.”

Cooperation will focus on:

- *Development of an efficient Trans-Mediterranean multimodal combined sea and air transport system, through the improvement and modernization of ports and airports, the suppression of unwarranted restrictions, the simplification of procedures, the improvement of maritime and air safety, the harmonization of environmental standards at a high level including more efficient monitoring of maritime pollution, and the development of harmonized traffic management systems.*

- *Development of east-west land links on the southern and eastern shores of the Mediterranean, and*
- *Connection of Mediterranean transport networks to the Trans-European Network in order to ensure their interoperability.*

The Euro-Mediterranean agenda in the field of transport is integrated into the Pan-European planning process in 1997. The Mediterranean Transport Conference, sponsored by the European Parliament, brought together representatives from the Ministers of Transport and National Parliaments in Lisbon in January 1997, in a preparatory meeting for the third Pan-European Conference. The participants agreed *to begin cooperation on a number of transport themes, and in particular on the promotion of integrated, multi-modal transport networks as well as of efficient transport services.*

The Declaration of Lisbon establishes a number of principles for the development of both, multimodal transport networks and efficient transport services, and puts in place one working group for each theme. The main guidelines for the development of transport networks include:

- Definition of the networks: *“The participants should cooperate to plan multimodal trans-Mediterranean transport networks, which reflect real and anticipated flows of goods and passengers”.*
- Identification of bottlenecks and missing links within the networks: *“Once transport networks have been defined, the participants should concentrate on the identification of bottlenecks and impediments to smooth traffic flows on these networks as well as missing links in the networks.”*
- A focus on projects of international relevance: *“Planning efforts should be concentrated on projects of an international importance, taking into account transport flows and links between the Community and its Mediterranean Partners, as well as regional integration and cooperation between the Mediterranean Partner Countries themselves and their links with neighbouring regions”.*
- Modal balance and prioritisation of projects based on sensible assessment. Promotion of those projects, which favour a better balance among transport modes and which are a positive evaluation according to objective and verifiable socio-economic criteria.

Some criteria about priority projects were also mentioned: promotion of PPPs, land access to ports (improving connections to their respective hinterlands), rehabilitation of infrastructure vs. new construction, airport infrastructure and air traffic control systems...

The process announced in Lisbon was actually embedded in the Pan-European transport effort, at the third Pan-European Transport Conference (Helsinki, June 1997). The Helsinki Declaration includes the development of a Pan-European Network, adds three Pan-European Transport Areas

(PETrA, including the Mediterranean basin to the ten Pan-European Transport Corridors defined in 1994), and launches of a Europe Wide Transport Network Partnership to coordinate investments in the most efficient way.

Prior to the Helsinki Conference, the Ministers of Foreign Affairs of the Euro-Mediterranean Partnership met in Malta in April 1997, and identified transport as one of six priority sectors for the partnership.

A number of Technical studies had been launched in 1996-1997 by the European Commission on transport infrastructure and regulatory issues in the Mediterranean region. In particular, the INFRAMED study made a first attempt at identifying transport infrastructure needs in the Western Mediterranean within the framework of the Group of Transport Ministers of the Western Mediterranean 5+5 (GTMO 5+5), and a less detailed study (CORRIMED) was planned for the entire Mediterranean region.

1.2. The Euro-Mediterranean Transport Forum: launching and initial steps (1998-2002)

Launching of the Pan-European Transport Area of the Mediterranean basin and the transport Euromed Cooperation took certainly longer than expected. In January 1998, the European Commission announced² its intention of working in the field of transport to achieve integration and improved cooperation in the Mediterranean region through a comprehensive Action Plan and the establishment of a Group. After some informal meetings, the European Commission finally convened the first meeting of Senior Officials for the Mediterranean PETrA in Malta, on 23-24 March 1999 as an activity of the Euromed Barcelona process.

This meeting was labelled as the first meeting of the Euro-Mediterranean Transport Forum (ETF). Following the preparatory work carried out by the European Commission, and the experience of the Pan-European Corridors, the Forum focused on the adoption of a Memorandum of Understanding, to be signed by all the Ministers of Transport of the countries involved in the Area, and a Working Plan. The draft working plan included, as its first topic, *“the establishment of a Master plan for Transport Infrastructure in the Mediterranean”*, based on previous studies financed by the European Commission such as INFRAMED and CORRIMED.

The process, however, was stalled for a year and a half. The second (8-9/10/2000) and third (16-17/7/2002) meetings of the ETF did not make much progress: the ideas of signing a formal Memorandum of Understanding or establishing an Action Plan was set aside, and the activity of the Forum focused on the follow-up of the transport component of some multilateral projects financed

² COM(1998)7: "The Euro-Mediterranean Partnership in the Transport Sector".

by MEDA³ (such as MEDSTAT, INCO-MED, Euromed-GNSS and SAFEMED), and the activities of a number of working groups, including the one on Network and Infrastructure. Budget constraints limited the number of meetings and the activity of these working groups.

In 2001, the EC published COM(2001)126, following the five-year assessment of the Barcelona Process, which stated that achievements had fallen far short of expectations: “*Very few specific measures have therefore been initiated so far under the transport dimension of the Euro-Mediterranean partnership*”. The Communication also states the need of financing transport infrastructure and the current limitations of MEDA: “*MEDA funding, which can undoubtedly play a catalytic role in this area, is not normally used directly to finance physical infrastructure (hardware)*”. The Communication, then emphasises the virtues of public-private partnerships (PPP), and stresses the priority to be given to maritime and air transport.

1.3. The consolidation of ETF and the Euromed Transport Project (2003-2005)

The Euromed Transport Project was launched in January 2003, with €20 million of funding granted from MEDA, with a transport infrastructure and a transport regulation component among others, to be developed in the next 4 years. Its infrastructure component included the definition of a network; the completion of a project identification exercise similar to TINA⁴, funding of pre-feasibility studies for priority projects and institutional support for the implementation of priority projects. 3 research projects (DESTIN and others) were launched also in 2003 within the fifth Framework Programme of Research and Development of the European Union.

From that year on, the activities of the ETF are financed by the Euromed Transport Project, which should also give support to the Forum and its working groups. The studies carried out within the Euromed Transport Project included different levels of interaction with the Forum and its working groups. All these activities, with an increasing involvement of member countries, stimulated the ETF⁵ to propose the organisation of a first meeting of Ministers of Transport of the region and to undertake the preparation of a strategic discussion paper for that meeting. This document was named as the “Blue Paper on Euro-Mediterranean Transport Policy”, was presented at the Marrakesh Summit of the Ministers for Transport of the European Union-25 Member States and the 12 Mediterranean Partner Countries on 15 December 2005.

³ MEDA: Financial and technical measures to accompany the reform of economic and social structures in the framework of the Euro-Mediterranean partnership. Instrument established in 1996, amended in 2000 (MEDA II) and replaced in 2006 by ENPI.

⁴ TINA: Transport Infrastructure Needs Assessment. A planning exercise financed by the European Commission (through the PHARE programme) in order to define the transport network of European interest in accession countries.

⁵ At its 5th Forum, Brussels, 21-22/12/2004, upon request of the European Commission.

This progress in Euro-Mediterranean transport cooperation has to be seen in a wider context: Since 2003, with the launching of COM(2003)104 “Wider Europe: Neighbourhood: A New Framework for Relations with our Eastern and Southern Neighbours”⁶, the context of the cooperation of the European Union with its neighbouring countries had been progressively clarified, and cooperation in the Mediterranean had greatly benefited from this. Transport is mentioned as a key area for cooperation, particularly in the Mediterranean region.

Some months after the communication on Wider Europe is issued, the European Commission issues another communication, focused on the Mediterranean region (COM(2003)376)⁷, trying to make a real definition, beyond former declarations of intents, of the concept of TMN-T since its title: Communication on the development of a Euro-Mediterranean transport network. The document declares that *“it is now essential to develop a Euro-Mediterranean transport network with both South-South links (between the Mediterranean Partners themselves) and North-South links (with the trans-European transport network)”*. The Commission proposes to define a list of priority projects, structured in two multimodal corridors: The trans-Maghreb multimodal corridor (a rail and motorway network linking the main cities of Morocco, Algeria and Tunisia), and the double corridor of the Eastern Mediterranean; this would be coupled with the promotion of motorways of the sea, the single sky initiative, and other actions.

The Commission also suggested that *“an independent agency might be set up to promote the network and examine the financial arrangements of the major infrastructure projects”* (a similar instrument had been proposed in COM(2003)132 for TEN-T, which would become in 2006 the TEN-TEA). The Communication refers to the new Facility for Euro-Mediterranean Investment and Partnership (FEMIP) of EIB, approved in 2002 with resources for the period estimated at 1.4 to 2 billion euros to 2006. The overall objective of FEMIP is to promote sustainable economic growth in the region through investments in infrastructure and especially in private sector development.

In 2004 the Commission launches a Strategy paper on the European Neighbourhood Policy (COM(2004)373). The Strategy Paper makes the following reflection on transport: *“It is essential to improve the physical transport networks connecting the Union with neighbouring countries. In view of the costs involved, it will be crucial to co-ordinate closely in drawing up investment plans for these networks. Existing initiatives such as the Pan-European Transport Network Concept, various Pan-European Transport Conferences, or the Commission’s proposals of June 2003 for a Euro-Mediterranean transport*

⁶ There is a short reference to financing of Mediterranean transport infrastructures in COM(2003)104: *“The MEDA regional programme is producing blueprints for infrastructure interconnection and regulatory approximation and harmonization in transport, energy and telecommunications (Trans-Euro-Mediterranean Networks). These blueprints should be implemented with loans and risk capital from the EIB through the Facility for Euro-Mediterranean Investment and Partnership (FEMIP) as well as the other International Financial Institutions (IFIs).*

⁷ Communication from the Commission to the Council and the European Parliament on the development of a Euro Mediterranean transport network.

network provide a sound basis to move forward. Project funding by the EIB will be important, on the basis of mainly medium-term actions agreed in the Action Plans. Concrete needs will be explored on a case-by-case basis”.

In the 2004 Strategy Paper, funding for transport in the Mediterranean is cautiously considered (p.22): *“Infrastructure interconnection projects: Assistance could be given in the planning of networks in order to facilitate trade and access to the European Union market. Possibilities include... development of a blueprint for sub-regional intermodal transport networks in the Maghreb and in the Near East, including rail and road infrastructure interconnections and maritime transport; improvements at border crossings and ports-hinterland connections...”*

The 2005 Blue Paper presented to the Ministers of Transport in Marrakesh did not contain a fully defined TMN-T. It included, however, a number of principles and planning methodologies, taking stock of the results of on-going activities and studies, including the on-going activities of the so-called Infrastructure Contract within the Euromed Transport Project, and research activities, such as the project DESTIN (2003-2006), developed by CETMO in the framework of GTMO5+5.

In the same period (2003-05), the European Union was revising its TEN-T policy through a High Level Group chaired by Mr. Van Miert, in order to adapt the network, and its list of priority projects, to the imminent enlargement of the European Union. This process was also applied to neighbouring regions in the framework of another High Level Group, on the Extension of the TEN-T, chaired by Mrs. Loyola de Palacio from mid-2004 to the end of 2005. The final report of this last group includes a number of corridors or axis, and the identification of projects within each axis. The main reference to land transport in the Mediterranean region appears within the South Western Axis. Its conclusions were issued just in time to be also noted by the Ministerial Conference of Marrakesh.

1.4. Recent developments (2006-2010)

At the 2005 Conference of Marrakesh, the Ministers *“asked the Euro-Mediterranean Transport Forum to come up by the end of 2006 with a Regional Transport Action Plan for the next five years in order to implement the recommendations included in the Blue Paper and in the Final Report of the High Level Group”.*

During this entire process, the leading action of the GTMO 5+5 moved matters forward in order to confront more specifically the need to develop a TMN-T and the infrastructures issues as a priority for the ETF.

In May 2007, the ETF approved the Regional Transport Action Plan (RTAP) for the Mediterranean Region 2007-2013 (RTAP), which was unanimously endorsed by the Euro-Mediterranean Ministers of Transport during the High Level Conference on Extension of the Major Trans-European Axes to the Mediterranean Region held in Lisbon on 3 December 2007.

The contents of the RTAP are produced in parallel with the European Commission's activities for the development of the Neighbourhood Policy. The recommendations of the High Level Group chaired by Mrs. De Palacio had been taken on board in the EC's Communication COM(2007)32 on the *Extension of the major trans-European transport axes to the neighbouring countries Guidelines for transport in Europe and neighbouring regions*. Although the concept of axis is maintained (and, accordingly, the "Southwestern axis" is taken on board by the Communication), the specificities of the Mediterranean area are better considered, and the concept of "motorways of the sea" gets a major role. The message for cooperation with neighbouring countries is stressed later that year in the EC COM(2007)774: **A Strong European Neighbourhood Policy**. The annual review of the process, made in March 2008 (COM(2008)125)⁸ states that *"the Mediterranean Region is the most advanced of the neighbouring regions"*. This fact, coupled with considerations of stability, economic development, etc, should justify the convenience to go further together, by establishing a financing mechanism. However, the EC thinks that some prior steps should be attained, first (p.11):

"...the few remaining aspects in the second phase of the exploratory talks. These include effective monitoring of the implementation of the Axes in the region, creating a technical secretariat for the East Mediterranean region and strengthening coordination through a MoU or an international agreement".

COM(2008)125 also announced the publication of a new communication by the end of that year, addressing *inter alia*, the question of financing. However, that communication has not been issued yet:

"The Commission has already scheduled a series of meetings for spring 2008. A second progress report on the exploratory talks will be tabled in September 2008, including, when relevant, a recommendation to the Council to open negotiations, and an assessment of the financial needs without prejudicing the multiannual financial framework for the policy areas concerned".

Progress in establishing a funding mechanism of transport infrastructure had been virtually non-existent in the period. Within the European Neighbourhood Policy, a Regional Strategy Paper (2007-2013) and a Regional Indicative Program (2007-2010) were issued by the EC following

⁸ Page 4: The Euro-Mediterranean Transport Forum met in May 2007 and adopted a Regional Transport Action Plan for the period 2007-2013. As a follow-up, the infrastructure working group met in November 2007 to verify the axes and to update the list of infrastructure projects. These meetings led to a high level conference, organised by the Commission with the support of the Portuguese EU Presidency, on the Mediterranean transport system in Lisbon on 3 December 2007. In this conference, Vice-President Barrot and Ministers from the EU and Mediterranean countries recognised the key role of the Action Plan in extending the major axes of the trans-European transport networks and the Community acquis to the region.

Council Regulation 1638/2006, which established the European Neighbourhood Policy Instrument (ENPI), replacing the previous MEDA financing instrument for the Mediterranean. Transport is included within the headline sustainable economic development, and it is stated there that “*The second main component of this policy priority is to encourage interregional cooperation on infrastructure networks (the “hardware” side in transport, energy, telecoms) and on regulatory harmonisation and convergence with European Union standards in these sectors (the “software” side), including opening up markets with a view to enhancing competitiveness and efficiency. The infrastructure hardware side will be co-financed by 16 project loans from the EIB under the new FEMIP and Neighbourhood-wide external lending mandate*”.

In the same document, the following objectives are identified for cooperation in the transport sector:

In the field of transport, the main objective will be to ensure operational follow-up to the Marrakech Ministerial Conclusions, where it was agreed that a Regional Transport Action Plan for the Mediterranean should be elaborated. In this context, the following specific objectives will be pursued:

- a. *Continuing the transport sector reform process in the region;*
- b. *Developing the Mediterranean regional transport infrastructure network and its links to the Trans – European Transport Network (TEN – T);*
- c. *Promoting intermodality;*
- d. *Strengthening the safety and security of transport modes, especially in maritime and air transport;*
- e. *Supporting sub-regional cooperation initiatives.*

It must be said, however, that funds allocated to the Regional Indicative Program (2007-2010) are quite modest: €343.3 million in total, of which €23 million for *transport and energy cooperation*, and €128 million for Technical assistance and risk capital support for FEMIP (Euro-Mediterranean Facility to support investments in the Mediterranean partner economies).

The RTAP requests (action number 31) that a Working Group on Infrastructure and Regulatory Issues be set up. This working group held its first meeting in November 2007. Financing is included within the working group’s activities and, at its meeting in October 2009, the working group stated that it “*engages to collectively seek and explore, with the Secretariat of the Union for the Mediterranean, the sources of financing for the realization of the priority projects as re-identified during the ministerial meeting of the Union for the Mediterranean on Sustainable Development Projects in Paris on 25 June 2009*”.

The launching of the Union for the Mediterranean in 2008 as a revitalisation of the Barcelona Process had indeed served to push the ETF to undertake a number of priority transport projects

within a list of concrete actions. In the transport sector, the priority projects concerned “*the development of motorways of the sea, including the connection of ports, throughout the entire Mediterranean basin as well as the establishment of an efficient and integrated Euro-Mediterranean Transport Network... Attention will also be devoted to maritime security and safety*”.

A considerable effort has been made in the definition of a TMN-T. The effort goes back to the mid- 1990s (INFRAMED study) and has continued under different formats up to the current activities of the ETF’s Working Group on Infrastructure established by the RTAP. The combined effort of these EC-sponsored activities has consolidated a shared image among Euro-Mediterranean partners of what the TMN-T could look like in the long run.

In January 2010 the ETF’s Working Group of Infrastructures held a discussion on the second version of the TMN-T, which is now completely almost defined, except for a very few links still under discussion. At that meeting, in parallel with this definition, the countries began a discussion on the need to create and develop new and creative financing mechanisms to support the implementation of this network. An almost completely defined network was discussed as the third version during a meeting of senior officials in Jordan in April 2010.

1.5. Main conclusions

The TMN-T has benefited from progressive consolidation of the institutional framework, which has greatly facilitated technical progress: the Euro-Mediterranean Transport Forum, as a group of senior transport officials, has steered the process, supported by the technical activities of its Working Group on Infrastructure, and submitting its conclusions to the Ministerial level. Current schemes of the TMN-T are well supported by both, technical discussions and political backing, and the institutional framework is well run and ready to continue the process in order to converge with the expected revision of the TEN-T.

Transport infrastructure is developing fast in certain Southern Mediterranean countries, but international projects are not receiving enough attention from national authorities, and this will continue to be the case. In fact, this happened also in the European Union and in the Mediterranean context, low international flows justify this approach. However, the continuation of these trends would reinforce the consolidation of infrastructure barriers to South-South flows, jeopardize the efficiency of transport operations and prevent fair competition.

There is now an opportunity to physically facilitate transport flows through the consolidation of the TMN-T. This would, in turn, increase pressure on transport operators and national authorities to improve their international services and serve as a leverage to spur the modernisation of national

systems and their convergence with European Union standards. Of note is the realism of the current TMN-T approach: the network is being designed as a relatively modest infrastructure network, but with a potentially impressive impact on the southern region. The focus is not being placed on expanding infrastructure, but on creating the necessary core network, which will make it possible to consolidate a more modern transport system, thus facilitating the operation of more skilled transport operators through the creation of better conditions for their activities in a context of fair competition, and the emergence of efficient multimodal services, in connection with those of the TEN-T.

Recent developments are given an even more favourable framework for the completion of the definition process of a TMN-T:

- Technically, with the process of revision of the TEN-T, which should improve the coherence and consistency of the trans-European transport network, and give more attention to its connection with the networks of neighbouring regions and countries. A communication of the European Commission is expected to be issued by June 2010.
- Politically, with the continuation and institutionalisation of the “Barcelona Process” through the new “Union for the Mediterranean” (UfM). UfM has identified transport infrastructure as one of the key areas for action.

These developments would match the progress made at the technical level in the definition of the TMN-T. Backed by the conclusions of the Ministers of Transport in Marrakesh in 2005, the Euro-Mediterranean Transport Forum, through its Working Group on Infrastructure and Regulatory Issues, has been developing the TMN-T through an innovative procedure proposed by CETMO, the GTMO 5+5’s technical secretariat, that has built up consensus on the concept: previous work, initially on corridors and later on priority projects, coupled with the development of a sensible methodology, has made it possible to move forward in order to establish the concept of a “comprehensive network”. This is a unique achievement to make TMN-T operational and to converge with the revision intended for the TEN-T.

This progress comes in line with the conclusions of the Ministerial Conference held in Naples on 21-22 October 2009. The delegations requested the continuation of the efforts undertaken in order to *“identify an integrated network, both within the European Union and with its partners...”, to “develop, as the centre of this integrated network, a core network within the European Union, that enables optimised use of the different transport modes and the logistics system in its entirety” and to “develop the transport networks establishing a connection between the TEN-T and the non European networks, especially the trans-Mediterranean one.*

The launching of the Union for the Mediterranean in June 2008 was presented as a way to infuse a new vitality into the Barcelona Process. The Union for the Mediterranean has also tried to offer a commitment to tangible, regional and trans-national initiatives. With this purpose, six priority initiatives have been identified and put at the heart of the Partnership's efforts, including one transport project for the establishment of maritime and land highways. In the Annex to the Declaration, signed in June 2008, the description of this initiative included the connection of Mediterranean ports, the creation of coastal motorways and the modernisation of the trans-Maghreb railway. The subsequent Ministerial Conference of the UfM on Sustainable Development Projects, held in Paris on 25 June 2009, backed the activities developed by the ETF for the identification of priority transport projects. The shortlist of 17 priority projects, currently identified by the ETF can be seen as a reference list.

1.6. Financing: the key remaining issue

The political and technical processes outlined above have increasingly raised the question of how financial resources could be mobilised in order to support the implementation of the transport network and projects identified for the region. This question is getting more urgent as the political and technical processes have reached a considerable level of consolidation:

- On the political side, the launching of the UfM on the grounds of focusing cooperation efforts on a limited number of initiatives, and the implementation of a permanent secretariat for UfM, offers an appropriate environment for managing the implementation of TMN-T. The perceived lack of an adequate body or agency (identified for example by the European Commission in 2003⁹) could be solved by this new secretariat.
- On the technical side, the activities carried out by the ETF and its Working Group on Infrastructure in 2008 and 2009 have well advanced the identification of infrastructures needs in a structured, coherent way, so that the various technical stages identified by the EC for the development of TMN-T can now be considered as virtually completed:
 - A broad vision or general network definition.
 - A list of coherent priority projects.
 - Selection of a first short- list of priority projects.

However, financing and management of TMN-T projects remains unsolved. In the past, the absence of a well-defined transport network could justify that both questions could be considered as premature; however, within the new context of an invigorated cooperation process through UfM and the progress made in the definition of the network, financing has become a priority.

⁹ COM(2003)376.

Thus far, the Euro-Mediterranean partnership has been supported by the MEDA financing instrument until 2006 and from that year, by the new European Neighbourhood Policy Instrument (ENPI). These financial instruments, as well as the BEI's FEMIP, are not sufficient for transport infrastructure development, due to the limited resources and/or the management instruments.

National funds are scarce and focused on national priorities and the prospects of attracting private sector investment are dim. The experience of PPP's contribution to the development of TEN-T (in a much more stable environment) is disappointing. In the Southern Mediterranean, the context is even more discouraging and PPP's seem to be an unfriendly path under the existing environment:

- a. Traffic demand is not high in projects of transnational/international interest.
- b. The regulatory environment is insufficiently developed and enforced.
- c. Uncertainties are high. Traffic forecasts are not enough reliable.

The idea put forward in 2003 of establishing an Agency for the Mediterranean countries has not yet been developed. Its utility is confirmed by the TEN-T experience: following basically the same reflection in 2003, the European Union established the TEN-T Executive Agency (TEN-TEA) in late 2006. Since then, TEN-TEA has successfully streamlined the evaluation and funding process, and is now playing an instrumental role in the on-going revision of the TEN-T.

Given that the definition of the TMN-T is now clearly established, financing should progressively become the next question to receive serious consideration. To the advantage of the European Union, the proposed network (and particularly the subsequent core network) is reasonably ambitious and presents a clear and certain interest for the European Union, as it is focusing on the infrastructure that would facilitate the region's relationship with Europe: ports and coastal inland corridors. This typology also facilitates significant improvements in the entire network with comparatively modest resources, as a significant push to this network could be made with investment focused on the critical links of the network, such as port development, cross-border inland sections and land access to ports.

The consolidation of the UfM offers a more balanced framework to manage the actual deployment of TMN-T. In this context, financial support for transport infrastructure (identified as one of the priority initiatives within UfM) could also be seen as a first step towards real balanced cooperation in which a part of the funds to be dedicated to financing TMN-T projects could also be provided by the Mediterranean partners so that the management of TMN-T could gradually be taken over by those countries.

LESSONS FROM TEN-T

2.1. TEN-T definition and implementation

The Trans-European Network (TEN) concept and its transport dimension (TEN-T) emerged in the late 1980s, coupled with the implementation of the single market, launched by the adoption of the Single European Act in 1986.

Political interest in TENs increased as a consequence of the Delors Report (1989) on Economic and Monetary Union in the European Community, which was the next big step towards European integration after the achievement of the common market. The report stressed, inter alia, the need to reinforce infrastructure (including transport infrastructure) for the consolidation of a Single Market. The concept of TENs had been first mentioned at the conclusions of the European Council of Strasbourg (December, 1989), which led to a Council resolution in January 1990 (90/C 27/05) declaring that priority should be given to the development and interconnection of trans-European networks, and inviting the European Commission to submit to it, before the end of 1990, a work programme and proposals for appropriate measures, taking into account the possibility of extending such action to the whole of the Community. The network provisions of the Union Treaty also address cooperation with neighbouring countries to promote projects of mutual interest and to ensure network interoperability (Article 129c(3)).

The 1989 Delors Report called upon more resources to be dedicated to regional development policies and to infrastructure, and paved the way to the Economic and Monetary Union and the Treaty of Maastricht (Treaty of the European Union), approved in 1992 and in force since 1/1/1993. Title XII in the Treaty defines the Trans-European Networks as one of the areas of action of the European policies.

Immediately after the adoption of the Treaty of the European Union in 1992, the European Council (Copenhagen Summit, December 1992) called upon the Commission and the Council to speed up the adoption of master plans in each field (including transport). Its acceleration is proposed by the Commission in the White Paper “Growth, Competitiveness, Employment” (COM(93)700p.75-76). The private sector and “financial engineering” are seen as the solutions to limited public resources, particularly for TEN-T: *“Consequently, the objective of the Commission’s proposals must be to attract private investment in networks by helping to create the conditions in which it will flourish, for example by removing the obstacles that persist, among others in the slowness of procedures at various levels and by supplementing private investments with public funds where necessary”*. The

Commission proposes to identify a list of priority projects, as a means to *“launch the process of reflection and preparation for the partnership [with the private sector] immediately and effectively”*. The Communication included an Annex with 26 major transport projects.

The definition of TEN-T was a lengthy process. A number of “major projects of Community Interest” had been defined in the framework of a Transport Infrastructure Committee, established in 1978. These priority projects benefited from modest financial contributions since 1982, through different Decisions with an annual or biannual perspective issued between 1982-1993.

The 1992 White Paper on the Common Transport Policy¹⁰ refers already to the TEN-T. Initial modal schemes for roads, inland waterways and combined transport were approved in 1993 (Council Decisions 93/628-630/EEC of 29 October 1993). An initial Communication was issued by the Commission in late 1993 (COM(93)701), and a proposal of Guidelines was published in April 1994 (COM(94)106). The communication included the identification of networks and the identification of projects of “common interest”, as well as “priority actions”.

The 1992 White Paper on the Common Transport Policy (p.32) leaves it clear that the goal to be pursued is not the improvement of transport infrastructure in general but the integration of the Community’s transport system through the completion and combination of its networks, taking particular account of the needs of its more geographically isolated regions. The White Paper announced that the process for the achievement of TEN-T would continue by establishing “guidelines” for the development of TEN-T.

COM(93)700 included a list of strategic projects for the establishment of TEN-T. Following the request of the European Council in December 1993 to the Commission to speed up the implementation of TENs, Henning Christophersen was appointed as chair of a Group of Personal Representatives of the Heads of State or Government with the objective of establishing a report on the implementation of Trans-European Networks, as a follow-up to the 1992 White Paper. (According to COM(94)106 its main purpose was to develop an approach for a PPP. The Group prepared a list of priority projects in transport and energy. The extension of TENs to neighbouring countries, included the Mediterranean Basin, is already an element of the mandate to the Group.

Proposals from the Commission on the TEN-T Guidelines and its financing were published early in 1994 (COM(94)106 and COM(94)62). The proposal would dedicate 2.4 bio ECUs to TENs in

¹⁰ The Future Development of the Common Transport Policy: A Global Approach to the Construction of a Community Framework for Sustainable Mobility - White Paper. COM (92) 494, 2 December 1992

the period 1994-1999. The financing proposal was approved in 1995, whereas the Guidelines were not approved until July 1996 (Decision 1692/96/EC).

In May 2001, Decision 1346/2001/EC amended the TEN-T Guidelines with respect to seaports, inland ports and intermodal terminals. It also specified the criteria for identifying projects of common interest in relation to these infrastructure elements. The amendment emphasised the multimodal dimension of the TEN-T by making seaports and inland ports a full part of the network.

The 2001 White Paper (COM(2001)370) paid limited attention to TEN-T, although while recognising that its major objectives of “re-balancing of transport modes” and “elimination of bottlenecks” should rely upon the completion of some TEN-T projects (in particular those referring to rail and to combined transport). The White Paper also announced the launching of a “limited” revision of TEN-T, and approached the question of transport financing from a renewed perspective, closer to the “user’s pay” principle.

The 2004 revision of the Guidelines thus focused on adapting TEN-T to enlargement, and expanded the initial list of priority projects up to 30, as identified by the Van Miert High Level Group, which worked between January-June 2003, following the mandate of the European Council. Its final report called for more resources to be put into the development of the trans-European transport network (TEN-T), particularly in view of the forthcoming enlargement of the Community. The group proposed a new approach based on mobilising and coordinating the investment needed by means of appropriate structures, with a view to completing a series of priority projects by 2020. *The High-Level Group will recommend a list of priority projects to the Commission. Taking this as a starting point, the Commission will draft a proposal for a decision revising the 1996 guidelines for the trans-European transport network and, in particular, the list of priority projects adopted by the Essen European Council. The Group will also propose a method and procedure for subsequent updating of the list of priority projects and make any other recommendation which it sees fit in order to smooth the way for completion of the projects selected.* A report with annexes and a new map of “priority projects” were published in June 2003.

The adoption of the new figure of European Coordinators for each one of the priority projects was also proposed by the Van Miert’s Report, and adopted thereafter. Project coordinators have proved of significant value to identify problems, streamline decisions and put pressure on national governments to honour their commitments for the implementation of priority projects.

The 2004 Guidelines Decision revises and modernises the plans from 1996 by concentrating investment priorities on a limited core network, major trans-European axes, primarily serving long-distance and international traffic. It includes a list of 30 priority axes and a number of priority investment projects on these axes.

It is obvious that the consolidation of the TEN-T has not been a fortunate planning exercise. The EC states in its Green Paper launching the current review of the TEN-T guidelines¹¹, that financing needs for the entire network would be immense (p.13-14), and shyly suggests ways to reduce these ambitions and put them in line with financing resources.

The concept of a priority or core network is presented by the European Commission in the Green Paper as a means to solve the current contradictions in TEN-T planning, and to get more clear “European value” in exchange of the substantial funding resources devoted to the TEN-T. The Green Paper lucidly states the lack of coherence, and excessive extension of the comprehensive network included in the Guidelines, as well as the lack of continuity, and the weak methodological soundness in the selection of the 2004 priority projects. As envisaged by the Green Paper (and currently developed in the Working Group on Methodology)¹², a core network would facilitate an agreement based on clear goals, and facilitate the attainment of continuity in terms of interoperability and capacity standards.

2.2. Some lessons from TEN-T planning experience

In practice, some kind of list of priority projects has always focused the attention and the resources of the TEN-T. In spite of the obvious shortcomings and limitations of such an approach, this can be explained by a number of reasons:

- Historical reasons: since 1982, Community’s funding of transport infrastructure has always focused on a number of large projects. Business as usual operation is always difficult to modify if there is not broad support and clear benefits for all the stakeholders.
- Political discussion: The debate on TEN-T among Member States can be channelled on a smoother way by focusing resources in a list of projects, thus facilitating the checking on a fair distribution of resources.
- Limited resources and impact: as European resources available to fund TEN-T are limited, its impact is higher while focusing on a limited number of priority projects.
- Conflict with national and regional priorities: a better defined network, a more transparent assessment of projects and a prioritisation of actions based on technical considerations would probably arise endless discussions between the European Commission and national or regional

¹¹ COM(2009)44: Green Paper TEN-T: A policy review. Towards a Better Integrated Trans-European Transport Network at the Service of the Common Transport Policy. February 2009.

¹² The current revision of the TEN-T guidelines set up by the EC, includes the activities of 6 working groups, dealing with planning methodology (for the definition of a “core” or “priority” network; integration of infrastructure planning and transport policy, ITS and new technologies, connections of TEN-T with third countries, financing and legal aspects.

authorities, without any real benefit for the development of TEN-T. It would not necessarily bring in a more efficient allocation of resources, as the variety of situations throughout Europe makes it difficult to establish “general rules”.

The strife for getting a coherent network at the European level has not been able thus far to overcome these barriers. The first image of the TEN-T (the maps in the 1996 guidelines) is certainly not the result of soundness planning, but the fastest way to reach political consensus: more the addition of existing national plans than the result of a European vision. Contrary to what is suggested by the 2009 Green Paper, European Union enlargement probably introduced some coherence in TEN-T, as the 2004 revision, which expands the network to Accession countries, was largely the result of a better technically-founded planning exercise (the TINA project), where the European Commission could play a more significant role in the search of coherence at the continental level. The revision, however, stressed the contradictions between the characteristics of the network in European Union-15 and European Union-12.

One of the lessons of the TEN-T process is that search for wide consensus among concerned countries, in the short-term, may lead to an oversized network, full of projects of purely/mainly national interest, and even to the emergence of an inflation of new projects from countries as a negotiating tool. A strong consensus builder is needed in order to keep the discussion focused on an international perspective. But, once the framework for serious technical cooperation is in place, it is relatively straightforward to reach agreement in the need to define a core network, rather than continuing with lists of priority projects.

2.3. The experience of financing TEN-T

European financing of transport infrastructure is prior to the adoption of the TEN-T Guidelines. A Transport Infrastructure Committee was set up in 1978 by Decision 78/174/EEC, “*in order to contribute to the harmonious development of a transport network of interest to the Community*”. Starting in 1982 and until the adoption of the TEN-T Guidelines, different regulations were issued to finance transport infrastructure. The resources devoted to the task were, however, too modest to have any real impact. Financing should be dedicated to the 6 major projects mentioned in the resolution or to any study covering land transport infrastructure.

It seems that the actual impact of the Commission’s financing in the development of transport infrastructure in this “pre-TEN-T” period was, at best, modest. The 1993 report of the Court of Auditors states lack of coordination and monitoring: the actual influence of the European funds to the development of the large projects of “Community interests” was not significant, as the funds were too limited (and dedicated predominantly to studies), and Member States looked at these Funds as complementary to other sources (mainly ERDF, and later the Cohesion Funds).

The first official mention to Trans-European networks is to be found in the Declaration following the European Council in Strasbourg, December 1989. The need to seriously address the financing of the future TEN-T is highlighted by the 1992 White Paper (see §2.1). It was certainly assumed that Community funding would be necessary to, at least, accelerate TEN-T projects and that, in the less developed regions of Europe, extensive Community funding would be required in order to attain the TEN-T goals.

Delays in the negotiation process in 1994-1996 made that, ironically, the financial regulation were issued before the adoption of the TEN-T Guidelines. This EC Regulation (2236/95) covered three sectors (energy, telecommunications and transport) and earmarked 2.35 billion ECU for the 1995-1999 period. It was subsequently amended in 1999, 2004 and 2005. Amendments made in Regulation (EC) No 807/2004 were particularly relevant, as (following the conclusions of Van Miert's High Level Group) they increased the total European contribution from 10% to 20% for cross-border sections of transport projects.

The last available funding rules were set in Regulation (EC) No 680/2007 of the European Parliament and of the Council of 20 June 2007 laying down general rules for the granting of Community financial aid in the field of the trans-European transport and energy networks. It devotes €8,013 million to the TEN-T for the 2007-2013 period.

Eligibility criteria are established in Regulation (EC) 680/2007. Basically, the project has to be included in the TEN-T, and the Member State (or Member States concerned, in case of transboundary projects) has to provide evidence of its commitment to match the funding requested with other resources in order to carry out the project. The Community aid could cover up to 50% of the costs of studies, up to 20% of the costs of works of priority projects (up to 30% for cross-border priority sections) and up to 10% for other TEN-T projects.

TEN-T has been financed with five sources: the TEN-T programme, EIB/ERDB loans and guarantees, Cohesion Funds, the European Regional Development Fund (ERDF) and national funding. The total European contribution to the funding of the TEN-T has been modest, as shown in the table below. The first table shows the resources dedicated to the whole of the TEN-T network, whereas the second table focuses on the TEN-T priority projects. These tables also allow identifying some trends in the whole period:

- Specific funds the Programme TEN-T have been quite modest compared to the TEN-T ambitions, although it has doubled for the current programming period (from €2,230 million for 1996-1999 to €4,430 million for 2000-2006 and €8,000 million for 2007-2013).

- Cohesion funds and ERDF have been the main source of the European contribution to TEN-T.
- National contributions are predominant, and have increased their share in the total funding of TEN-T over the years.
- Priority projects get a slightly higher share of European financing. The total resources dedicated to priority projects seems to be increasing,

Table 1: TENT-T Financing

€ Billion	2000 - 2006		2007 - 2013	
	Comprehensive Network	30 priority projects	Comprehensive Network	30 priority projects
Cost	302	93.7	390	154
New Member States (EU 12)	27	-	72	16
Old Member States (EU 15)	275	-	318	138
Community contribution	29.5 (9.8%)	14.6 (15.6%)	52.2 (13.4%)	22.4 (14.5%)
Programme TENT-T	4.4	2.8	8.0	5.4
Cohesion Fund	16.5	7.0	34.8	12.3
ERDF (regions convergence)	8.6	4.8	9.4	4.7
EIB Loans and guarantees	41.4 (13.7%)	16.1 (17.2%)	53.0 (13.6%)	25.0 (16.2%)
Other resources (national)	231.1 (76.5%)	63.0 (67.2%)	285.0 (73%)	106.6 (69.2%)

Source: CETMO elaboration of dates available in: http://ec.europa.eu/transport/infrastructure/funding/doc/funding_figs.pdf; accessed on 25/02/2010.

Upon request of the European Commission, in 2008 the TINA Office conducted a review of the TEN-T implementation process for the 2004-2005 period. The study also concludes that national resources remain the main component of TEN-T financing, as illustrated by the following chart:

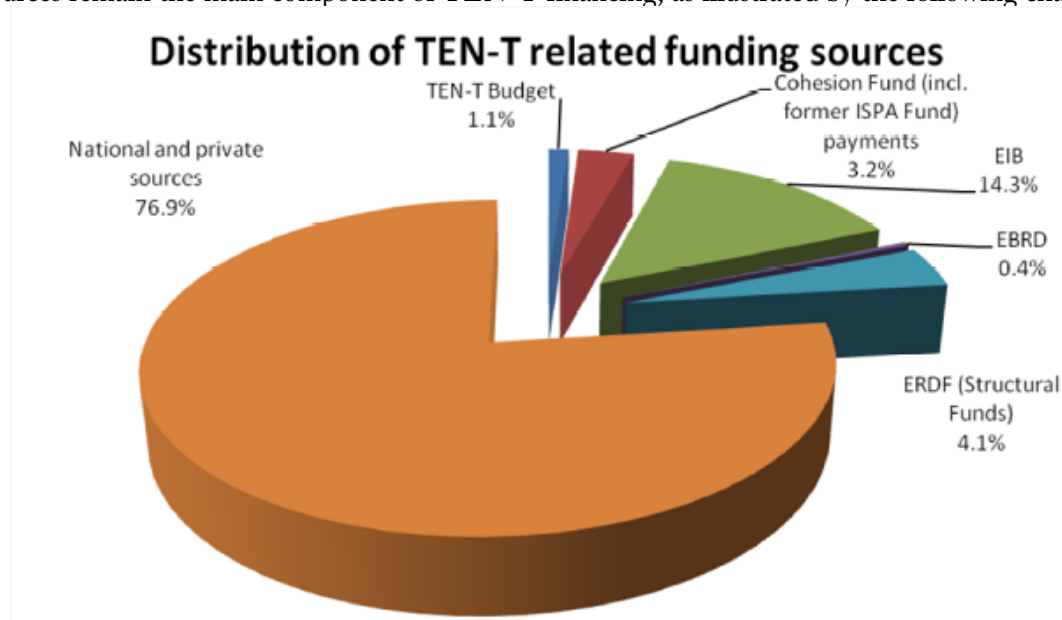


Figure 1: Distribution of TEN-T funding sources 2004-5 (TINA, 2008, TEN-T Implementation Report 2004-2005)

Nevertheless, as the European Commission has repeatedly pointed out, these relatively modest percentages of funding have successfully pushed national authorities to adopt interoperability standards (the case of ERTMS) and launch a number of cross-border sections. This is probably more common in countries receiving more substantial funding (from the ERDF and Cohesion Funds).

The disparity of the resources available in the different instruments has in practice contributed to specialisation of the use of different instruments: whereas Cohesion Funds and Structural Funds are predominantly dedicated to infrastructure construction, the TEN-T budget is more often used to finance planning studies, as well as horizontal priority actions (ERTMS, ITS, ATM and RIS account for 12% of the total budget). The TEN-T budget is managed by the TEN-T Executive Agency.

Share of current EC contribution by type of project

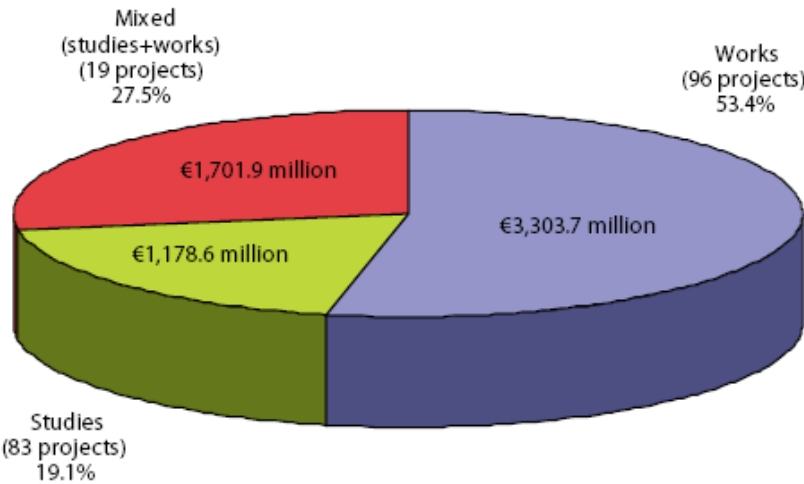


Figure 2: Source: TEN-TEA (2009) TEN-T Projects in Figures

TEN-T funding is allocated through competitive calls managed by the TEN-T Executive Agency. Multiannual and annual calls are issued each year. Multiannual calls account for 80% to 85% of the total budget and focus on projects expected to be completed by 2020. Annual calls are more flexible in nature and focus on projects related to bottlenecks and border crossings.

The TEN-T experience shows that relatively modest percentages of funding may push national authorities to adopt international standards and to move priority projects forward in the pipeline. The deployment of ERTMS in Europe is probably one of the best examples of this. The attainment of an efficient European transport system relies, besides the deployment and upgrading of

infrastructure, in the homogenisation and facilitation of transport flows through the continent, thanks to coordinated actions in several axes:

- Interoperability within transport networks, and particular for rail, which is identified as the inland backbone of the future TEN-T system.
- Smooth connections between transport modes, thanks to the development of efficient, intermodal transport modes.
- Standardised equipment, which can be used throughout the entire continent (as has been the case for example, for container standardisation, or for the development of cleaner road vehicles...).
- Design standards for transport infrastructure.
- Shared transport regulations, which can make the operation of a common, competitive market, possible (the *acquis communautaire*).

In any case, the experience of TEN-T shows that any international transport network will have to be financed mainly with national funds. International funding has little impact when it comes to speeding up project completion. A question therefore arises about why it has been so relevant for Europe. One likely reason is that international funding helps national governments review their priorities and give more attention to projects of international interest. Additionally, complex bilateral negotiations among countries for cross-border projects and common standards are speeded up by the existence of a multilateral framework in which these questions are given a global answer. These considerations, when taken together, provide well-founded arguments for setting up a financial mechanism for funding TMN-T.

LIST OF ABBREVIATIONS

ATM	Air Traffic Management
CCS	Container Control Site
CETMO	Centre for Transportation Studies for the Western Mediterranean
CORRIMED	Study launched in 1997 to identify transport corridors in the Mediterranean region.
DESTIN	Defining and Evaluating a Strategic Transport Infrastructure Network in the Western Mediterranean. Research project, developed by CETMO in the framework of GTMO 5+5 and financed by the 5 th Framework Programme of Research and Development of the European Union (2003-2005).
DG-AIDCO	Directorate General of Europe Aid Cooperation Office of the European Commission.
DG-RELEX	Directorate General of External Relations of the European Commission
EC	European Commission
EDI	Electronic Data Interchange
EIB	European Investment Bank
ENPI	European Neighbourhood Policy Instrument
ERDF	European Regional Development Fund
ERTMS	European Rail Traffic Management System
ETF	Euro-Mediterranean Transport Forum
EU	European Union
EU-12	Member States of the European Union since 2005
Eu-15	Member States of the European Union prior to the 2005 enlargement
FEMIP	Facility for Euro-Mediterranean Investment and Partnership
GTMO 5+5	Group of Transport Ministers of the Western Mediterranean 5+5.
IFI	International Financial Institution
INFRAMED	Study launched in 1997 to identify transport infrastructure needs in Western Mediterranean.
IPA	Instrument for Pre-Accession Assistance
ISPA	Instrument for Structural Policies for Pre-Accession
ITS	Intelligent Transport Systems
MEDA	Financial and technical measures to accompany (MEDA) the reform of economic and social structures in the framework of the Euro-Mediterranean partnership
PETC	Pan-European Transport Corridor
PETrA	Pan-European Transport Area
PHARE	Pre-accession instrument financed by the European Communities to assist the applicant countries of the central Europe in their preparations for joining the European Union. Originally created to assist Poland and Hungary in 1989.
PPP	Public-Private Partnerships
RIS	River Information Services
RTAP	Regional Transport Action Plan

TEN-T	Trans-European Transport Network
TEN-TEA	TEN-T Executive Agency
TINA	Transport Infrastructure Needs Assessment
TMN-T	Trans-Mediterranean Transport Network
UfM	Union for the Mediterranean

