



Regione Toscana
Diritti Valori Innovazione Sostenibilità



REGIONE PIEMONTE

PLURAL
CENTRO STUDI EUROPEO

CeSPI
Centro Studi Pubblici e Internazionali



maema
Institut de la Méditerranée



TRÉS CULTURAS
TRES CULTURAS



IEMed.
Institut Européen de la Méditerranée



MEDGOVERNANCE PROJECT

ANALYSIS OF EUROMED GOVERNANCE FRAMEWORK

THEMATIC REPORT FOR TRANSPORT

MEDITERRANEAN REGIONS IN THE EUROPEAN TRANSPORT POLICIES AND IN THE DEVELOPMENT OF MOTORWAYS OF THE SEA

March 2010

Document prepared by Vincent Wallaert – Institut de la Méditerranée



EXECUTIVE SUMMARY

The broad policy framework: a EU driven policy

Since they have been introduced in European policies at the beginning of the 2000s, MOS have raised strong expectations and even a strong enthusiasm, notably from the regional authorities. Through their organizations such as CPMR (and its transport commission) and various types of interventions, regions have been influential in the definition and the elaboration of European policies on MOS.

Initially, MOS are a European concept which was introduced within the 2001 white paper on transports “*European transport policy for 2010: time to decide*”. The White Paper advocated the creation of “*certain shipping links, particularly those providing a way around the bottlenecks in the Alps and Pyrenees, should be made part of the trans-European network, just like motorways or railways.*” Originally, the European Commission envisaged MOS as a solution to address “bottlenecks” that is traffic congestion in specific “hot spots” of the European transport network. The main issue at stake was here to improve the fluidity of transport goods within the European single market. MOS are the Priority 21 of the TEN-T policy. The adoption of Article 12a of the TEN-T guidelines of 29th April 2004 by Council and European Parliament gave a legal framework for funding the MOS¹. The “success” of MOS goes today far beyond the TEN-T policy. It is thus promoted as a crucial element of the European maritime policy but also as a key topic of the Euro-Mediterranean partnership, notably in the framework of the Union for the Mediterranean initiative.

At first sight, this innovative and cheap transport concept addressed different issues: the need to develop additional transport infrastructures in order to face the expected growth of merchandises flows, the congestion of existing main road corridors, and the need to improve the environmental impact of transport policies, the need to revitalize port activities...

Mediterranean regions where road congestion is a major challenge to life quality have shown a great enthusiasm for MOS. These regions are highly concerned by transport issues for different reasons: firstly, transports is a key competence of regions in Spain, Italy but also in France; secondly, they often consider to be poorly integrated in European transport policies (such as TEN-T) which jeopardize their integration in the European market as well as in the global trade flows and thus their sustainable economic development. In this perspective, European MOS policies have been closely followed-up by regions as soon as the European white book on transport in 2001 and the starting of the TEN-T policy. Classical channels were used such as Committee of the Regions’ advice and contributions sent on the green papers elaborated by the European Commission. These reactions have often been produced by individual regions but also by groupings and networks of regions, constituted in the perspective of the structural funds. The CPMR has directly impacted European policy making on two specific topics: the inclusion of MOS in the financial regulation of the TEN-T programme and the establishment of European coordinator specifically dedicated to MOS. In both contexts, the lobbying role of CPMR has been quite effective.

The regions in the implementation phase

During the implementation phase, regions also have an important role in the technical and financial dimension of MOS projects. Nevertheless, the implementation phase is mainly

¹ See text of the article 12-a of TEN-T guidelines in Annex 2

characterized by its complexity, it is thus described as a “jig-zaw puzzle” by many interviewed stakeholders, it involves the cooperation of many stakeholders belonging to both the public and the private “sphere”, with different culture, different strategies and constraints.

Public actors represent a major set of stakeholders in the implementation of MOS projects that primarily result from public voluntarist policies. Within the public sphere, different systems with different visions and involving different kind of stakeholders at different levels of actions. As previously presented, MOS are strongly supported by the European Union through two different programmes. Each programme has its own financial system and its specific eligibility criteria. Both systems are managed by European independent agencies that take care for the organization of the calls for projects and for the management of the subsidy downstream the projects selection process. Many interviewed stakeholders underlined the complexity of the TEN-T procedures for MOS that are the only TEN-T project to “benefit” from such a two-step process. Stakeholders also stressed the difficulty raised by the submission procedures to the European MOS call for projects in terms of bureaucratic sophistication. Member States are considered as key actor of the implementation of MOS projects. Central States are a major partner of European call for projects and are implementing their own financial systems.

Stakeholders often underline the potential leadership of regions in MOS projects. This position is grounded on the competences of regions that, in most of European member States, are very consistent with the categories of actions that are requested by MOS projects: transport, spatial planning, economic development... In this framework, the actual role of regions in MOS projects is very different according to the national contexts. In Italy, regions are, in general, a catalyst in the creation of the MOS, since they are in charge of approving the port-planning schemes, submitted by the Port Authority in the framework of the national legislation. Regions are also in charge for territorial planning. In 2007 a memorandum of understanding (MoU) was signed between Liguria Region, Ligurian Port authorities and the RAM company in order to give impetus to MOS in the framework of a funding programme that would have been allocated in the near future. The Region can contribute in reducing bottlenecks strengthening “infomobility” intended as an information flow from port to carriers.

Private companies constitute the other main category of stakeholders of MOS projects. Indeed, MOS projects should be regarded as a “complete service offer” involving the wide range of stakeholders of the logistic chain: producers, road transport companies, freight brokers, shipping companies, port authorities and the various other port stakeholders (dockworkers, crane operators...). Each of these actors has its own strategy and constraints. Despite their apparent simplicity and cheapness, MOS projects represent a kind of “revolution” in the organization of the logistic chain. Such “revolution” involves a close cooperation between actors that are more used to compete with one another.

MOS and regions: the end of great expectations?

Today, a very few concrete MOS projects have emerged. European and national funding systems promoting the development of such projects have had very little effect and have more or less failed to initiate change among private actors of the logistic chains, that are the en-users of MOS and the ultimate decision-takers of these projects. These disappointing results associated with the sorry experiences for regions of projects such as the Fos/Savone connection and the Toulon/Civitavecchia connection, regions' enthusiasm have progressively been replaced by skepticism and discouragement. MOS are increasingly considered as complex projects, depending on too many external factors on which regions have no control (industrial strategies, oil prices, global market evolutions...); in the short and middle term, MOS could not be competitive with road transport and thus economically sustainable; more serious, some experts have expressed doubts on the environmental positive contribution of MOS.

Despite all these difficulties, expectation towards MOS and regions are still very high. MOS are still on top of European Union and member States agenda, notably in the perspective of their Euro-Mediterranean policies. For most of experts, a radical change in transport modes still appears as an inevitable perspective in Europe. The issue at stake for European, national and regional authorities is to anticipate and to accompany this change in order to create the conditions for a "smooth" modal change and thus to prepare the future of European territories. In this perspective, the role of regions is obvious since they have all the required competences and legitimacy to take initiative on MOS and modal shift.

Today, regions are identified by many stakeholders as a key actor of the MOS governance framework notably thanks to their competences (transport, territory planning, economic development) that are very relevant with the one involved by MOS projects. Despite this consensual claim, the case study analysis have also highlighted various lacks that underpin regions' and regional organizations' autonomy in the perspective of MOS development:

- I. An expertise gap in the area of transport, logistic and modal shift that is a major blockage for regional influence on national and European national and European policies;
- II. Beyond the scarcity of human resources devoted by regions to MOS projects, another issue is the lack of relationship between regional actors and other MOS stakeholders and notably stakeholders from the private sphere and the logistic chain. Such as complex topic require to have an in depth knowledge and understanding of the strategies, constraints and projects of other key actors;
- III. The lack of expertise and the lack dialogue with private stakeholders are worsened by a lack of strategy clearly articulating different issues such as transports with spatial planning and economic regional development.

4 scenarios for the future of regions' contribution to MOS project

The investigation presented in this report eventually results in the identification of 4 scenarios for the governance of MOS. The scenarios are built according a combination of two main uncertainties, or key parameters, that characterized the development of MOS in the Mediterranean region that are, on the one hand, the nature of public intervention (horizontal or vertical), and, on the other hand, the level of Mediterranean integration (strong or weak). The scenarios are also built on the assumption that they are some unavoidable trends that will, in any case, impact the future development of MOS.

CONTENT

EXECUTIVE SUMMARY	2
The broad policy framework: a EU driven policy	2
The regions in the implementation phase	2
MOS and regions: the end of great expectations?	4
4 scenarios for the future of regions' contribution to MOS project	4
INTRODUCTION	6
The MEDGOVERNANCE project	6
The first diagnosis phase.....	6
The case of the Motorways of the Sea.....	6
A collaborative enquiry.....	7
I. THE BROAD POLICY FRAMEWORK	8
The technical and economic context	8
A EU-driven policy	10
The integration of MOS in member States national policies	12
The specific contribution of regional actors to MOS policies.....	14
II. THE GOVERNANCE OF THE IMPLEMENTATION PHASE: A “JIG-SAW PUZZLE”	18
The public sphere: different financial aid systems	18
The private sphere: companies as the end-users and ultimate decision-takers.....	22
The “governance gap”	26
III. MOS AND REGIONS: THE END OF GREAT EXPECTATIONS?	28
MOS: progressive disillusion of regions	28
Tools of regional influence on national and EU transport policies	31
A lack of capacities of individual regional authorities.....	33
IV. SCENARIOS OF REGIONS' CONTRIBUTION TO MOS DEVELOPMENT AND EUROMED TRANSPORT POLICIES.....	35
Key parameters and unavoidable trends	35
4 scenarios for the regions' contribution to the governance of MOS	39
ANNEXES.....	43
Annexe 1 – List of stakeholders interviewed	43
Annexe 2 – Article 12a of the TEN-T regulation: Motorways of the sea	44
Annex 3 – European funding possibilities for MOS	46
Annex 4 – CPMR contribution to online TEN-T Green Paper online questionnaire (April 2009)	47

INTRODUCTION

The present document is the thematic report for transport elaborated within the 3-1 activity of the MEDGOVERNANCE project. Therefore, this report aims at presenting today's actual contribution of regional actors in the "governance" of transport policies impacting the Mediterranean territories. Governance can be defined as the coordination systems existing between government, local and regional authorities, multilateral organizations but also private actors, companies and NGOs allowing to produce public policies, decisions and projects. Coordination between this plurality of actors can be either institutionalized or ruled by procedures and even informal rules.

The MEDGOVERNANCE project

The MEDGOVERNANCE project, implemented in the framework of the MED interregional cooperation programme, gathers 6 regions (Andalusia, Catalonia, PACA, Piedmont, Latium, Tuscany) with their respective research and training institutes (CeSPI, Rome; Institut de la Méditerranée, Marseille; IEMed, Barcelona; MAEM/MEMA, Florence; Paralleli, Turin; Three Cultures Foundation, Seville) and the Inter-Mediterranean Commission of the CPMR, with the technical support of Plural, Florence in order to elaborate political recommendations on how to better integrate regional authorities into the development and implementation of Mediterranean policies.

The first diagnosis phase

The project started in 2009 with a diagnosis phase aiming at analyzing the governance framework for the preparation and the implementation of major policies impacting the Mediterranean region in five policy fields: transportation, competitiveness and innovation, environment, culture and migration. For each of these domains, the issue of "multilevel governance" and, more particularly, of the actual contribution of regions to these policies was investigated. Each research institute participating in the MEDGOVERNANCE project coordinated the preparation of Thematic Reports through the coordination of transnational working group involving stakeholders actively engaged in the specific policy fields.²

The case of the Motorways of the Sea

Within the transport thematic, the case of the Motorways of the Sea (MOS) was selected as the relevant case study. Indeed, MOS are consistent with the main stakes of the MEDGOVERNANCE project. Firstly, MOS reflect the complexity and the multilevel dimension of transport policies. They also brightly illustrate the type of contribution that region can have in a European-led policy. Eventually, the MOS case has brought a splendid illustration of the strengths and the weaknesses of regional actors in the definition and in the implementation of major European and Mediterranean policies.

² The 3-1 activity "is aimed to define a common analysis of the systems of Euromed governance through the creation of 5 interregional and multilevel working groups A case study methodology is applied to the following priorities: Environment, Innovation, Competitiveness, Transport & Energy, Migration & Mobility and Culture". It is also mentioned that "in this phase, the project will concentrate on Mediterranean projects initiated at EU or transgovernemental state level (top down approach)".

Characteristics of a “good” case study

Mediterranean projects, programmes or policies initiated at EU or transgovernmental level (top down approach);

Multilevel and multissue projects, programmes or policies combining different levels of action (local, national, European, Mediterranean) and combining different dimensions of public actions;

Mesoscale projects, programmes or policies that are broad enough to embrace the governance issue of the priority and narrow enough to have a dynamic and prospective approach;

Topical and innovative projects, programmes or policies in terms of governance;

Transregional, transnational, European or Mediterranean dimension;

Presence of stakeholders willing to get involved.

A collaborative enquiry

A collaborative enquiry was implemented during almost three months. All the MEDGOVERNANCE partners were involved under the coordination of the Institut de la Méditerranée.

In each participating region, a regional enquiry was implemented and the main stakeholders of MOS policies and projects have been interviewed. This methodology has allowed building a “broad picture” of MOS policies and projects in Europe and Mediterranean based on “regional pictures”. Moreover, the collaborative approach has allowed to identify, contact and involve a pluralist set of more than 20 stakeholders coming from both public and private sector and acting at different levels of decision (European, national, regional).

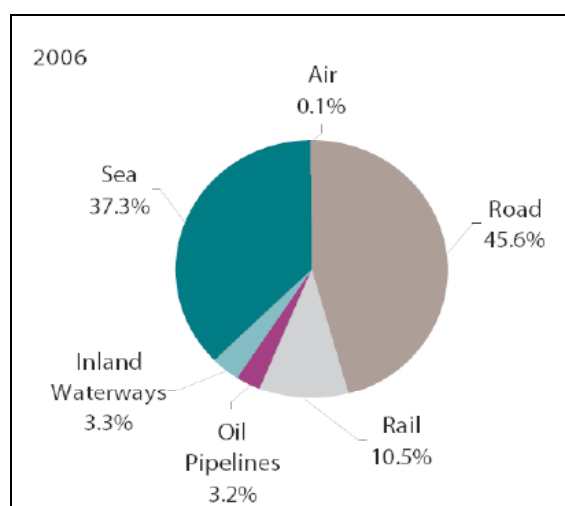
I. THE BROAD POLICY FRAMEWORK

The technical and economic context

Short Sea Shipping

As a *logistic technique*, Motorways of the Sea (MOS) do not come from anywhere. As noted in the 2001 European white book on transports “*short-distance shipping has been around for a very long time: there are thousands of wrecked vessels around the Mediterranean dating back to Roman times.*” At the European scale, road transport today represents roughly 45% of goods carriage and maritime transport 40% on which: 50% of liquids wreck, 20% of solid wreck and 30% for roro, containers, or conventional cargoes. Trucks and trailers loaded in different kinds of ways: *roro* (roll on, roll off): trucks are the only load on the ship, drivers are not embarked; bulk (including liquid and gas); *ropax* mixing passengers and goods (trucks), drivers may accompany their trucks; *conro* mixing trucks and containers; containers.

Modal distribution of goods carriage in the EU in 2006³



In the Mediterranean region, short-sea shipping already exists since decades through the development of shipping connection embarking rolling cargoes such as new cars and through the development of ferry connections between two ports loaded with cars, trucks and trailers.

Technical and economic challenges

In this context, MOS consist in a holistic and intermodal service concept. It allows a *door-to-door* delivery of goods and includes a short sea shipping connection between ports situated in geographical Europe⁴. The concept thus aims at introducing new inter-modal maritime logistics chains to bring about a structural change to transport organization. This mode of transport has been progressively envisaged by professionals and policy makers as a main alternative to road transport for the goods carriage on the short term in a context of rapid congestion of roads in many different parts of the EU in every member States. The growth of trucks transport has raised awareness that road or rail infrastructures could not address the

³ Source: DG Energy and Transport, Eurostat,

⁴ Or between those ports and ports situated in non-European countries having a coastline on the enclosed seas bordering Europe.

risk of rapid saturation of circulation. Some countries are more sensitive to that specific issue than other, for example, Germany and Italy can be seen as front-runner.

AN ECONOMIC CHALLENGE

In order to have economically sustainable and meaningful MOS projects, different basic economic constraints need to be addressed:

- MOS should be competitive compared to road traffic, this implies to propose an overall cost for the door to door journey 20% cheaper than it would be by road. MOS should be a “low cost” service;
- Transit and boarding time should be reduced as much as possible;
- A high frequency, at least 3 departures per week, should be insured by the connection;
- Regularity and reliability are also very important, departures should be very easy to remind and to organize for transport companies.

A LOGISTIC CHALLENGE

In comparison to “traditional” international transport of goods, the EU concept of MOS are introducing new constraints in the logistic chain. To be competitive with road transport, maximum fluidity should be introduced in the process of transferring trucks from road to ship. Of course, the time constraint increases with the transport of fresh goods.

This involves a very high degree of coordination between the different trucks and thus between freight brokers that are responsible for following up the goods at the different stages of the transport chain. Today, this level of coordination does not really exist. Moreover, port infrastructures and services are very seldom adapted to the fluidity required by MOS. This demand is even increased by the European dimension of MOS: within the EU boundary, goods should not be delayed by custom procedures that are routinely applied to goods transported on international routes.

In order to propose to road transport companies a fluid, rapid and reliable service it is necessary to have an efficient coordination of the various stakeholders and to, as much as possible, reduce their number. In other word, the objective would be to have one integrated service. Port coordination is required in order to manage the trucks at each steps of the transport chain.

A EU-driven policy

At first, MOS have been defined and promoted within the EU transport policies and more specifically in the framework of the development of a trans-European transport network. Rapidly, the success of MOS has allowed this concept to “travel” far beyond the boundaries of European transport policies and become a key element of, among others, the European strategy for sustainable development, the European integrated maritime policy or the Euro-Mediterranean partnership. MOS are addressing both the Lisbon and Göteborg European strategies. Nonetheless, this duality of policies also leads to misunderstanding between the numerous stakeholders involved in the implementation phase.

The TEN-T policy

The idea of a Trans-European Transport Network (TEN-T) dates back to the end of the 1980s and came to life in conjunction with the concept of a “Single Market” for Europe. It was clear that such a concept would make no sense unless the various regions and national networks making up that market were properly linked by modern and efficient infrastructure with freedom of movement within it for goods, persons and services.

2001: THE WHITE PAPER ON TRANSPORT POLICY

Initially, MOS are a European concept which was introduced within the 2001 white paper on transports “*European transport policy for 2010: time to decide*”. The White Paper advocated the creation of “*certain shipping links, particularly those providing a way around the bottlenecks in the Alps and Pyrenees, should be made part of the trans-European network, just like motorways or railways.*” Originally, the European Commission envisaged MOS as a solution to address “bottlenecks” that is traffic congestion in specific “hot spots” of the European transport network. The main issue at stake was here to improve the fluidity of transport goods within the European single market.

THE TEN-T POLICY

MOS are the Priority 21 of the TEN-T policy. The adoption of Article 12a of the TEN-T guidelines of 29th April 2004 by Council and European Parliament gave a legal framework for funding the MOS⁵.

MOS are here promoted as a way to develop and improve the trans-European transport network. In this context, MOS would bring a contribution to the development of trade flows within the EU and particularly the integration of maritime and peripheral areas within the single market. This vision of MOS is clearly carried within the TEN-T policy. For the TEN-T guidelines, MOS aim at “*improving the existing sea links while establishing of news which are viable, regular and frequent for goods transport between Member States. The goal is to reduce the road congestion and/or to improve the service road of the areas and peripheral and insular States. Freight must be prevailing without to exclude transport combined travellers and goods.*” It is important to notice that in this framework, MOS should not be seen in competition with road transport.

By MOS, the European guidelines understand the four definite maritime axes under the priority project n° 21 of the TEN-T orientations including a Baltic Sea motorway⁶, a Western Europe sea motorway⁷ and two Mediterranean motorways:

⁵ See text of the article 12-a of TEN-T guidelines in Annex 2

- A South-East Europe sea motorway connecting the Adriatic Sea to the Ionic sea and the Eastern Mediterranean, including Cyprus;
- A South-West Europe sea motorway (Western Mediterranean) connecting Spain, France, Italy and Malta and allowing connection to the South-East Europe sea motorway.

The MARCO POLO programme

MOS are also promoted by the MARCO POLO programme aiming at creating *New ways to a green horizon* which means “fewer trucks on the road and thus less congestion, less pollution, and more reliable and efficient transport of goods”⁸. MOS are here part of modal shift policies aiming to reduce road congestion but also to improve the environmental impact of transport policies and infrastructures particularly in terms of greenhouse gases emission.

Whereas TEN-T guidelines gave a substantial definition of MOS, MOS and modal shift are mainly distinguished within the MARCO POLO programme according to quantitative criteria and thresholds concerning commitment duration and transferred volumes:

- For modal shift, the required commitment duration is 3 years, with a minimum threshold of 250 millions of tons per kilometres;
- For sea highways, the required commitment duration is 5 years with a minimum threshold of 1 billion and 250 millions tons per kilometres (or 250 millions ton per kilometres per year).

Other European policies

The “success” of MOS goes today far beyond the TEN-T policy. It is thus promoted as a crucial element of the European maritime policy but also as a key topic of the Euro-Mediterranean partnership, notably in the framework of the Union for the Mediterranean initiative.

THE EUROPEAN MARITIME POLICIES

The concept of MOS is a key dimension of the European maritime integrated policy. MOS are seen by the European Commission as a way to implement principles of Commission's “Communication on European Ports Policy” from October 2007 and the more specific prospective policies put forward in the “*European maritime space without barriers*”, whose main drive is to facilitate trade flows and the maritime transport strategy for 2018.

⁶ Connecting the side countries with Central and Western Europe, including the axe passing by the North Sea and Baltic canal.

⁷ Connecting Portugal and Spain to the North Sea and the Ireland sea via the Atlantic Arc.

⁸ More particularly, MOS were integrated in the second MARCO POLO programme implemented during the 2007-2013 period

THE EUROMED TRANSPORT PROJECT

The development of MOS is also recognized as a major objective of the Euro-Mediterranean partnership (*Barcelona process*) and of the Union for the Mediterranean launched by the European Union and the other Mediterranean countries in 2008.

In the framework of the MEDA II programme, the European Commission decided in 2001 to undertake the first Euro-Mediterranean Regional Transport Project (RTAP) with a financial allocation of 20 millions euros. The EuroMed Transport Project aims to facilitate cooperation between the 12 Mediterranean Partner Countries with the goal of supporting the development of the future Euro-Mediterranean Free Trade Area and promoting regional economic integration. In this perspective, the Euromed Transport Project has allowed the elaboration and the publication of a Euro-Mediterranean Action Plan for Transport (RTAP) for the 2007-2013 period⁹.

Moreover, in the framework of this project, the MEDA-MoS initiative aims at setting up pilot projects that prefigure in future MOS of the Mediterranean transport network. Pilot Projects come within the same objectives as the intra-European Motorways of the sea projects, with some differences deriving from market features: lower density of volumes, imbalanced cargo flows and trade structures, specific logistic needs, more complex border/port crossing etc...

The integration of MOS in member States national policies

The European call for developing MOS was not accompanied by any specific tool or guidelines. Even the definition of MOS had remained quite vague. European guidelines on TEN-T having an optional (and not compulsory) statute, Member States have adopted a prudent approach: MOS have been recognized and sometimes supported but have not radically changed national transport policies.

A progressive approach

In this absence of framework and considering the key role of road transport in European freight today, it does not seem possible to change radically the relative weight of the different available transport modes (road, rail, fluvial, maritime). In Europe and particularly in France, road transport is still the majority mode for goods transports. Promoting alternative solution therefore requires to adopt a progressive approach aiming first at creating the conditions within the logistics chain for the carriage companies to choose MOS as a reliable solution. Indeed, MOS imply a deep logistic change that cannot be achieved rapidly. The perspective is therefore a middle term approach.

Among EU member States, Italy has been the front-runner for the promotion of MOS. Transport in Italy is indeed strongly constrained by geography: narrow highways are running along the coast and with very little room to develop new infrastructures. In this context, MOS concept has been developed in Italy, through the simple idea of proposing alternative route to trucks by sea shipping connections running in parallel to road highways. Today, no specific dedicated national legal framework has been adopted for MOS. However, Italian law includes acts and regulations making indirect reference to sea -transport routes. So far, the following actions support MOS projects:

⁹ See <http://www.euromedtransport.org>

- Facilities to shipping enterprises and public authorities to develop the Short Sea Shipping (L.166/2002 and L. 413/98).
- Ecobonus, incentive to road haulage to shift the traffic from the road only to a mix between road and sea (L.265/2002).
- Strengthening of harbour facilities and logistic platforms through the present regulations concerning the carrying out of main strategic works (“Legge Obiettivo”).
- Creation of Rete Autostrade Mediterranee (RAM) S.p.A. to support the implementation of MOS in the Mediterranean Basin and the coordination of actions at European level.

In France, MOS are seen as part of the national environment strategy, with a quite weak level of integration of MOS in the transport policies. The concept was introduced in 2003 for the very first time, that is much later than in Italy, in a report published by the member of Senate Henri de Richemond¹⁰. MOS then “appeared” in official governmental communication in 2005 within the Interministerial Committee for the Sea affairs (CIMER) and the Inter-ministry Commission for Development and Territorial Planning (CIADT). The CIADT has acted the principle of a call for projects of MOS between France and Spain through the Atlantic Ocean. It also announced the launching of preparatory studies in the perspective of future call for Mediterranean projects. MOS were then legally recognized within the article 11 of the environmental law definitively adopted in 2008 by the French parliament following the “*Grenelle for Environment*”¹¹. The *Grenelle 1* law mentioned MOS as a massive goods transport solution. A national plan for the development of alternative freight solutions was then elaborated and adopted by French Government.

Demand vs supply policies

In most of the European countries, modal shift policies are supporting the supply side of the transport sector (infrastructures, port authorities...).

Italia has adopted a different policy, rather focused on the demand side, with the Ecobonus system that provides direct support to the road transport companies themselves. This is a national incentive, introduced in 2002 (L.365/2002) by the Italian government to support the road haulage firms to shift more and more goods amounts from the road to sea freight. To this purpose the Italian Financial Law adopted in 2008 allocated 77 million euro per year for the 2007-2009 period to finance the Eco-Bonus system. Beyond the financial support to the operators there are other measures addressed to promote the associations of small enterprises to use the maritime courses, training activities and the purchase of hardware and software to optimize the security.

The 31st January 2007, transport ministry Act has identified 28 sea routes (8 international) that could enjoy Eco-bonus. Beneficiaries are contractors truck companies, associated also

¹⁰ The vision of MOS defended in this framework is focused on the development of ropax (combining trucks and passengers transport) on the Atlantic side of Europe (Mr de Richemond is an elected representative from the Poitou-Charentes region). The attention of public authorities is strongly conditioned by the actual difference between the geographical contexts. In the Atlantic side of Europe, road transport is over dominating other modes of transport while in the Mediterranean, maritime transport appears more as a matter of fact.

¹¹ The ‘*Grenelle de l’Environnement*’ process is the process of elaboration of an integrated environmental strategy for France. The nickname *Grenelle* refers to the negotiations between trade unions and employers in the aftermath of May 1968. Such reference illustrates the will of French national authorities to organize a bottom-up process, involving a wide range of stakeholders including local and regional authorities.

MEDGOVERNANCE/TRANSPORT

each other or with sea operators working in Italy making at least 80 annual trips along the same route. The reimbursement cannot exceed a maximum of 30% of the fee of every connection. In 2008 Transport Ministry has allocated a total financing of 231 millions euro distributed in three years. To obtain funds operator has to fill a specific form and to submit to Ministry within January 2010. Company must commit itself to maintain the same number of trips and the same quantity of goods using combines road-sea transport for three years period following the year in which it has requested incentive.

Percentage of contribution by the Italian Eco-Bonus system

Connections	from 80 to 1599 journeys	More than 1600 journeys
Civitavecchia -Barcelona	20%	25%
Civitavecchia -Tarragona	20%	25%
Civitavecchia - Toulon	20%	25%
Genova - Algesiras	10%	12,5%
Genova - Barcelona	10%	12,5%
Livourne - Barcelona	20%	25%
Livourne - Tarragona	15%	18,75%
Livourno - Valencia	15%	18,75%
Palermo - Valencia	20%	25%
Salerno - Tarragona	20%	25%

The specific contribution of regional actors to MOS policies

Initially, MOS have raised a relative enthusiasm among maritime regions and particularly Mediterranean regions. At first sight, this innovative and cheap transport concept addressed different issues: the need to develop additional transport infrastructures in order to face the expected growth of merchandises flows, the congestion of existing main road corridors, and the need to improve the environmental impact of transport policies, the need to revitalize port activities...

Rationale for Mediterranean regions' involvement in transport policy-making

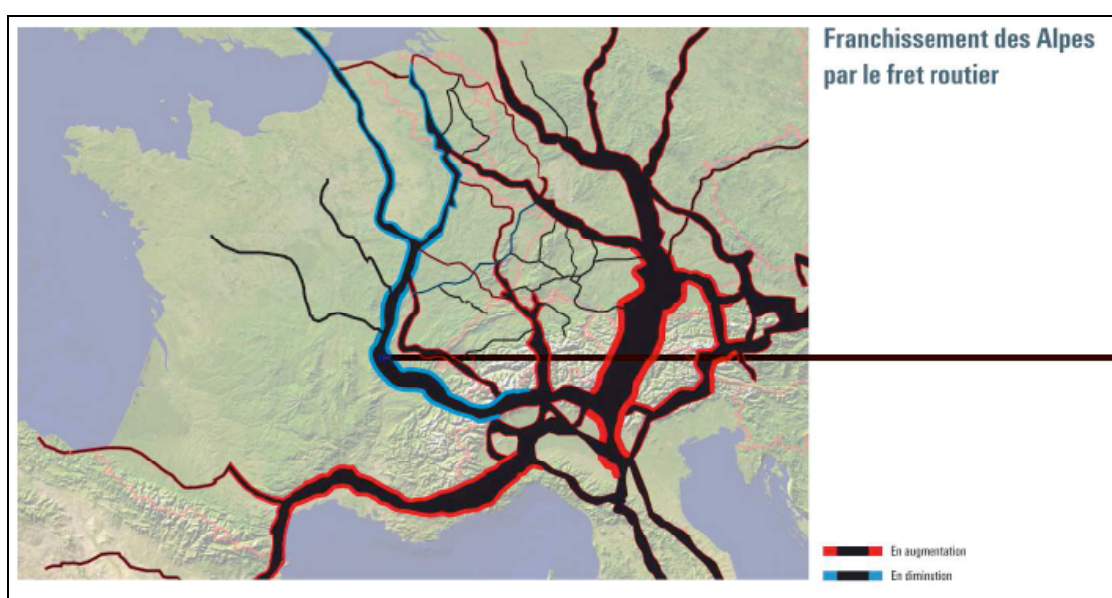
Mediterranean regions have strong rationale for "entering" the European policy-making process on transport. More specifically, MOS are addressing two *hotspots* of Mediterranean regions that are the preservation of environment and life quality, on the one hand, and, on the other hand, an economic target which is the will to improve their integration in the European transport network and in the global market.

LIFE QUALITY AND ENVIRONMENT

For Mediterranean region, MOS is often a matter of preserving environment and life quality of their population. Road congestion is a major challenge for these territories and is on top of regional authorities' motives to develop MOS.

For example, in the PACA region, the project of connection between Fos and Savone aimed at developing a new mode of transporting hazardous material (oxyethylen) from the chemical plants of the Fos area to the industries of the North of Italy. Many actors, including private transport companies, were in need of an alternative to road transport which involved risks for local populations and for the drivers and which was threatened from being banned on the highways connecting Nice to Vintimille by the Alpes-Maritimes department authorities (*préfet*).

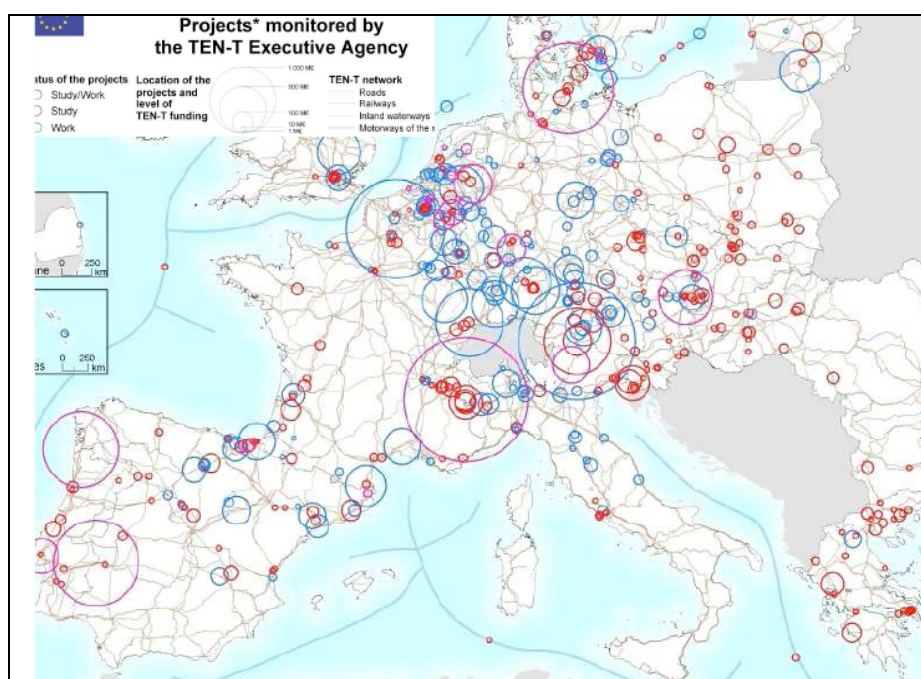
The growth of road freight in the North West Mediterranean



MOS AS A TOOL OF INTEGRATION IN THE TEN-T AND IN THE GLOBAL MARKET

Mediterranean regions often consider to be poorly integrated in European transport policies and especially the TEN-T. The hereunder map shows the projects monitored by the TEN-T agency; it clearly highlights that investments in the fields of transport infrastructure are mainly concentrated in central zone of the European Union. In such framework, peripheral and notably Mediterranean regions are being marginalized which jeopardize their integration in the European market as well as in the global trade flows and thus their sustainable economic development. MOS are considered as a way to mitigate such disequilibrium.

Maps of projects monitored by the TEN-T agency



The contribution of Mediterranean regions to the EU policy-making

European MOS policies have been closely followed-up by regions as soon as the European white book on transport in 2001 and the starting of the TEN-T policy. Regions have thus participated to the public consultation launched by the European Commission; they have also developed lobbying strategies channeled through their influence tools such as the Conference of Peripheral and Maritime Regions (CPMR).

“INDIVIDUAL” CONTRIBUTIONS

Classical channels were used such as Committee of Regions’ advice and contributions sent on the green papers elaborated by the European Commission. These reactions have often been produced by individual regions but also by groupings and networks of regions, constituted in the perspective of the structural funds.

For instance, the Transport Direction of the PACA region has been quite active in addressing the Green Paper of the European Commission with the elaboration of a thorough contribution to the Green Paper that was sent to the European Commission in 2009¹².

In Spain and Italy, regions are also very influential on the national transport policies. In France, transports remain a national issue. The approach adopted for the “Grenelle” environment law was characterized by the willingness to involve as much as possible civil society and local stakeholders in the preparation of the law. A decentralized methodology was thus implemented with thematic assemblies taking in different regions of France. Regional authorities then had a unique opportunity to impact policy making.

¹² See copy of the contribution in Annex to this document

THE ROLE OF INTERREGIONAL ORGANIZATIONS

Beyond these official channels, regional organizations such as CPMR represent a crucial tool of influence for regions within European policies. Regional delegations in Brussels also represent a powerful tool of influence for European and Mediterranean regions. In the context of TEN-T policy and MOS, the CPMR, notably through its Transport Commission have been particularly involved in the follow-up of the various steps of the European policy-making. As stated by Patrick Anvroin, director of the CPMR Transport Commission: *“Right from this start, CPMR aimed at positioning regions as a leading partner in the implementation of such innovative transport concept.”*

The CPMR has directly impacted European policy making on two specific topics: the inclusion of MOS in the financial regulation of the TEN-T programme and the establishment of European coordinator specifically dedicated to MOS. In both contexts, the lobbying role of CPMR has been quite effective.

As for the preparation of the TEN-T financial regulation, the first draft of the document elaborated by European Commission in 2004 did not include MOS in the financial system established to support TEN-T priorities. In order to provide European financial support to MOS, Claudio Martini, then president of CPMR, contacted directly the Italian ministry of finance in order to change the regulation proposal.

For the most important projects identified within the TEN-T programme, a European coordinator may be established in order to allow a high-level political follow-up and promotion of the implementation of the project. Every year, the European coordinator publishes an annual report evaluating the progress achieved in his field of competence. Initially, the European Commission had not envisaged to establish a coordinator for MOS. CPMR implemented direct lobbying in this perspective. A meeting was thus organized in 2005 with Jacques Barrot, commissioner for transport, in order to discuss that issue. Here again, this intervention had practical incomes with the decision to establish a European coordinator for MOS and with the choice of Luis Valente de Oliveira as coordinator. Indeed, Mr Valente de Oliveira is a former president of CPMR and very sensitive to the case of regions in the governance of European policies. This choice was sustainable since the mandate of Mr Valente de Oliveira has been recently reconducted for 4 years.

II. THE GOVERNANCE OF THE IMPLEMENTATION PHASE: A “JIG-SAW PUZZLE”

For most of the stakeholders, MOS projects are seen as a “jig-saw puzzle” characterized by complexity: involving actors from many different levels of decision, involving technical constraints and many private actors whose decisions are hardly predictable, notably for regional authorities. Within this “jig-saw puzzle”, one can distinguish a public and a private sphere of intervention.

The public sphere: different financial aid systems

Public actors represent a major set of stakeholders in the implementation of MOS projects that primarily result from public voluntarist policies. Within the public sphere, different systems with different visions and involving different kind of stakeholders at different levels of actions.

Different parallel European systems

As previously presented, MOS are strongly supported by the European Union through 2 different programmes. Each programme has its own financial system and its specific eligibility criteria¹³. Both systems are managed by European independent agencies that take care for the organization of the calls for projects and for the management of the subsidy downstream the projects selection process. Many interviewed stakeholders underlined the complexity of the TEN-T procedures for MOS that are the only TEN-T project to “benefit” from such a two-step process. Stakeholders also stressed the difficulty raised by the submission procedures to the European MOS call for projects in terms of bureaucratic sophistication.

THE TEN-T POLICY: A TOP-DOWN SYSTEM

Within the TEN-T policy, a dedicated budget of 310 millions euros has been provisioned for the 2006-2013 period. In this framework, grants are covering 20% of the cost of the infrastructures. The remaining 80% of the overall cost should be supported by the State or the operating company.

To be eligible, projects should concern common interest projects of trans-European networks of sea motorways. More specifically, projects should involve the development of facilities (electronic management or logistic systems, security facilities...) and infrastructures (port infrastructures...) within two EU member States and aiming at favouring modal transport in the perspective of reducing road congestion.

In this framework, grants cannot be used to finance mobile infrastructures such as ships, trains or planes which is often considered as the major limit of such financial systems; for many stakeholders, MOS and alternative modes of transport are not supported by public authorities the way road transport is supported. On the one hand, we have a massive investment of public authorities on road infrastructures like highways, on the other hand, European regulation strongly restrict the amount of public funds that can be devoted to the development of alternative ways of carrying goods such as MOS.

¹³ And its own definition of MOS as analyzed earlier

THE MARCO POLO PROGRAMME

Development of MOS is also one of five actions of Marco Polo Programme. For MOS during the 2007-2013 period, the required commitment duration is 5 years with a minimum threshold of 1 billion and 250 millions tons kilometres (or 250 millions ton kilometres per year). Grants allocated by the MARCO POLO II programme do not exceed 35% of the eligible costs, that is operating costs during a 5 years period.

The MARCO POLO programme has more bottom-up perspective since it is based on private initiative. Projects are directly submitted by operators (mostly shipping companies). Within this programme, public authorities are not officially involved. Not direct (nor indirect contact) is required from them. For example, in the case of Toulon/Civitavecchia, GLD¹⁴ has submitted directly to MARCO POLO and to the different financial systems available: State aid, PACA regional council...

MEDAMOS

MEDAMOS is a specific financial systems created in order to support the development of MOS in the Mediterranean area.

In consideration of the "MOS ports" designated by Southern and Eastern Mediterranean Countries, the characteristics of these MOS, designed as integrated packages on intermodal axes, were prepared with stakeholders representing users, operators and administrations of countries from South and East Mediterranean, and then presented to the stakeholders in partner countries/ports the other side of the sea. Following the Call for projects closed mid-march 2008, and the evaluation of proposals, a programme of supportive activities / technical assistance is being provided during the implementation period.

In line with the objectives and conclusions of the preparatory work, most projects are aiming at reinforcement and improvements of services, as the largest target trades (containers and RoRo) are already moved by seaway, with limited possibilities of modal shift from road to sea, and they are also providing for more intermodality / co-modality solutions. A few applications are planning new services for a layer access to market trades.

OTHER FUNDING SYSTEMS

TEN-T and MARCO POLO are not the only potential European funding systems for MOS. Other possibilities exist such as the ERDF, INTERREG and Cohesion funds that can grant member States as well as regions and that support "*large scale infrastructure and related equipments*".

The European Investment Bank (EIB) is also an important contributor. For example, in 2009, the EIB has loaned 81 millions euros to Grimaldi in order to help the shipping company to increase its fleet in the perspective of its MOS activities by purchasing *ropax* ships.

¹⁴ Joint venture between Grimaldi and Louis Dreyfus.

The key role of Member States

Within the public sphere, Member States are considered as key actor of the implementation of MOS projects. Central States are a major partner of European call for projects and are implementing their own financial systems.

A MAJOR STAKEHOLDER OF THE TEN-T FUNDING SYSTEMS

The TEN-T programme for MOS is characterized a two-steps procedure: in order to be granted by the programme, projects should be pre-labelled by member States.

In this framework, member States play a major role in organizing calls for projects identifying, labelling projects and then submitting them within the TEN-T programme. For the European Commission, this two-steps procedure allows checking the level of involvement of national authorities in the MOS projects; the key role of member States in the development of MOS projects is thus explicitly recognized by the European Commission as a success criteria.

In the Mediterranean area, two main initiatives are to be observed. France, Italy and Malta have launched on 25th June 2009 the “West Med corridor” initiative in order to identify projects and ideas concerning connection between the three member States. This call for proposals and projects concerns groupings gathering at least two ports of two different member states and one maritime transport operator. Projects should be addressed directly to concerned member States before 31st December 2009. Positively evaluated MoS proposals can be further submitted to the TEN-T (call provisioned for early 2010) and Marco Polo Call for Proposals for co-financing. On the Easter side of the Mediterranean basin, the East Med MOS is gathering Italy, Slovenia, Greece, Malta.

In order to achieve the objectives of two projects the partners intend to prepare two master plans for the definition and implementation of the MOS. The Master Plan includes setting up the overall project management, conducting preliminary studies (market survey and review of available and planned infrastructure), planning the operational aspects of motorways of the seas and dissemination activities. At the present the implementing of the two Master Plans is scheduled for the first months of 2010.

NATIONAL FINANCIAL SYSTEMS

Beside the European financial systems such as the TEN-T programme or the MARCO POLO programme, member States may establish their own national financial system in order to promote and support MOS projects.

In Italy, RAM S.p.A. (created in 2004) is the main actor in the implementation of MoS Programme. It is the operative structure of the Ministry of Transport and Infrastructure and fully owned by Ministry of Economics and Finance. It has got a “light” organization (about 15-20 people with law, economic and technical qualifications) settled in Rome. The company carries out the governance of MOS system, takes care of institutional relationships at national and international level, manages the incentives (Ecobonus), implements analysis and researches. In 2005 RAM S.p.A. carried out the Master Plan of MOS. This document analyses the demand of the operators and points out the main structural bottlenecks also stressing the priority improvement actions. The main goal is the identification and programming of interventions intended to support traffic flows, the development of the ports connected to these flows, underlining the needs of consumers and the existence of unexploited market niches.

In France, the issue of MOS is different according to the geographical context: Atlantic façade and Mediterranean basin. For instance, the State intervention including its financial support is different between the Atlantic and the Mediterranean facades, considering the different competition context between both areas.

The regions: a significant contribution

In the complex context of the MOS projects implementation framework, regional actors cannot be considered as leading stakeholders. Nevertheless, their contribution should not be overlooked in terms of financial participation but also in terms of contribution to the expertise process.

A “CATALYST”

Stakeholders often underline the potential leadership of regions in MOS projects. This position is grounded on the competences of regions that, in most of European member States, are very consistent with the categories of actions that are requested by MOS projects: transport, spatial planning, economic development... In this framework, the actual role of regions in MOS projects is very different according to the national contexts.

In Italy, regions are, in general, a catalyst in the creation of the MOS, since they are in charge of approving the port-planning schemes, submitted by the Port Authority in the framework of the national legislation. Regions are also in charge for territorial planning. In 2007 a memorandum of understanding (MoU) was signed between Liguria Region, Ligurian Port authorities and the RAM Company in order to give impetus to MOS in the framework of a funding programme that would have been allocated in the near future. The Region can contribute in reducing bottlenecks strengthening “infomobility” intended as an information flow from port to carriers.

In France, since 2000 and SRU law, regional councils also have full authority on the public transport; within the regional boundaries, they are considered as the regulatory authority of railway passengers transport, meaning that they are responsible for defining all the elements of the service: the stops, the schedule, price, frequency... Despite this key competence, French regions do not appear as leading actors in the development of MOS projects. Contrary to the memorandum of understanding signed between Liguria Region, Ligurian Port authorities and the RAM, the PACA region has not so far joined public initiative supporting MOS concept and projects.

A FINANCIAL CONTRIBUTION TO MOS PROJECTS

The financial participation is another component of the regions’ contribution to MOS projects.

For instance, the PACA regional council co-financed the connection between Toulon and Civitavecchia from 2005 to 2008 for a total amount of almost 1 million euros. No budgetary line is specifically dedicated to MOS project; however, in the case of the Toulon/Civitavecchia connection, the regional contribution was found within the general regional budget.

The private sphere: companies as the end-users and ultimate decision-takers

Private companies constitute the other main category of stakeholders of MOS projects. Indeed, MOS projects should be regarded as a “complete service offer” involving the wide range of stakeholders of the logistic chain: producers, road transport companies, freight brokers, shipping companies, port authorities and the various other port stakeholders (dockworkers, crane operators...). Each of these actors has its own strategy and constraints. Despite their apparent simplicity and cheapness, MOS projects represent a kind of “revolution” in the organization of the logistic chain. Such “revolution” involves a close cooperation between actors that are more used to compete with one another.

Ship owning companies

Ship owning companies are maybe the most active private stakeholders today in the development of MOS projects.

They are often the leading actor in the promotion of connections projects. Most of the connections existing between Spain and Italy have been designed and promoted by ship owning companies. Other example, the connection between Toulon and Civitavecchia that was initiated by GLD. Their role is recognized by the European financial systems supporting MOS. To be eligible to the call for tenders launched in the framework of the TEN-T policy by France, Italy and Malta in June 2009, MOS submitted projects should compulsory involve a ship owning company. As described above, the MARCO POLO programme directly supports company-led project.

The position of ship owning companies towards MOS is different according to their category of activity. The most proactive companies are the ones already involved in ro-ro transport and that are used to short distance transport such as ferry companies like SNCM or Meridionale. Another category of interested companies are the feeder ships companies that are often specialized in short sea shipping¹⁵. On the opposite, big liners companies specialized in international long distance transport (Merckx, CMA-CGM...) are very little interested in the development of intra European transport connections. Moreover, the development of MOS project involves competing with sectors of activities they are not familiar with such as fluvial transport or railway. For these companies, intra European transport also induces heavy time constraints they are not familiar with. However, they may enter the MOS “market” by creating dedicated subsidies.

¹⁵ Feeder ships are ships average capacity that are collecting shipping containers from different port and transport them to central container terminals where they are loaded to bigger ships.

The case of the Italian shipping company Gran Nave Veloci (GNV)

The GNV company is particularly active in the area of shortsea shipping and MOS. The company operates 14 shortsea shipping lines in the Western Mediterranean: Genova-Porto Torres, Genova-Olbia, Genova-Palermo, Livorno-Palermo, Civitavecchia-Palermo, Genova-Barcelona, Genova-Tunis, Genova-Malta, Civitavecchia-Tunis, Palermo-Tunis, Genova-Tanger, Barcelona-Tanger, Livorno-Malta, Palermo-Malta.

As mentioned above, GNV was a forerunner in the MoS accomplishment, being one of the first companies to make use of Marco Polo grants in order to set up a Genova-Barcelona line. This priority continued to be implemented by specifically new designed ships, pursuing an optimal balance between freight and passenger transport.

On 2nd June 2009 GNV signed a memorandum of understanding with Languedoc-Roussillon Region in order to set up two new MoS lines from the port of Sète - well connected with the motorway network – towards Maghreb (Algeria or Morocco). The company is currently exploring new lines for Libya and the Black Sea.

Road transports companies and freight brokers

Road transport companies and freight brokers¹⁶ can be seen as the key stakeholders of MOS projects since they ultimately decide to use or not MOS connections. No successful projects can be achieved without their active collaboration. The decision to use MOS requires that they are confident in the service regarding different aspects such as: the reliability in terms of time but also in terms of safety for the trucks and the goods embarked on the ships. In this framework, it seems that they are not opposed to use MOS but that today road transport still appears as the most competitive and flexible solution.

In different contexts, logistics companies and freight brokers are also initiating and promoting projects by themselves, like in the case of the Castellon-Marina di Carrare connection. Another example, is the project of MOS connecting Marseilles and Savone which resulted mainly from the initiative of transport companies that were searching for a safe solution to carry hazardous material from the chemical industries of the Fos area to Northern Italy.

For these stakeholders, MOS connections can be interesting for different reasons. Freight brokers may wish to diversify their logistic solution not to be dependant on road transport for economic reasons and for safety reasons (in the case of transport of hazardous material). The possibility to receive public grants (in the MARCO POLO framework) to support the project is also clearly an incentive.

In any case, to be attractive and successful, MOS connection should match the need of these stakeholders for fluidity and simplicity. Transferring cargoes from trucks to ships introduces two breaks (at the departure and at the arrival of the MOS connection) in the logistic chain for which transport companies are naturally reluctant. MOS should become “*a piece of highway*” which implies the development of an integrated and fluid service. Ultimately, time is thus the main concern of transport companies towards MOS projects: time for transferring cargoes trucks to ships, but also the frequency and regularity of the line (*cadencement*): departures should be very easy to remind and to organize for transport companies. *Roro* connections (with no passengers) imply to change trucks drivers once cargoes embarked on the ships and thus introduce a new level of complexity for transport companies which also may be dissuasive.

¹⁶ A freight broker is an individual or company that serves as a liaison between another individual or company that needs shipping services and an authorized motor carrier. Though a freight broker plays an important role in the movement of cargo, the broker doesn't function as a shipper or a carrier.

As a result, road transport companies are today the most reluctant stakeholders to use MOS connections that may be seen, at first sight, as competing with them.

Port authorities

Ports are also very important stakeholders of MOS projects and are even often presented as the main actor of MOS projects.

A PROMINENT ROLE IN MOS PROJECTS

Their prominent role is recognized within national calls for projects such as the one issued within the Westmed corridor initiative which requires application by consortium including two ports. In Spain, port authorities are the main competent actors to launch, analyze, define and implement short sea shipping and MOS. Once prepared by port authorities, projects are only notified for information (not for agreement) to the national Ministry of Work.

Mediterranean port authorities today show interest for short sea shipping and MOS connections. MOS are seen as a strategic opportunity by Mediterranean port in the perspective of expanding their *hinterland* and improving their connections to the North of Europe (in the *blue banana* area) or nearer regions with dense industrial fabric and consuming areas (for example the Rhône Alpes region and Paris for the port of Marseilles and Umbria for the port of Civitavecchia). The issue at stake is thus to develop connections as far as possible with the North of Europe. MOS are hence envisaged as a way on a South/North axis, and in a lesser measure East/West axis. MOS also represent opportunities to apply to European grants, notably the TEN-T programmes that co-finance upgrading of port infrastructures, among which rail infrastructure. The port of Marseilles (GPMM) is thus anticipating the development of this new kind of connections.

Nevertheless, MOS and trans-European shortsea shipping represent new constraints for port compared to “classical” international maritime transport. Indeed, ports infrastructures, facilities and organizations are often little adapted to the time constraints involved by intra-European short sea shipping and MOS.

THE PORT OF MARSEILLES (PACA)

The port of Marseilles (GPMM) has started only very recently to introduce procedures and facilities that would facilitate the development of such activities. Mediterranean ports have often adopted strategies mainly focused on international long distance shipping, regardless of their actual current activities¹⁷. Port authorities have long appeared quite reluctant to invest in MOS projects. The experience of the preparation of the connection between Fos and Savone is particularly significant of this statement since stakeholders of the project met great difficulties in the discussion with the Port of Marseilles (GPMM) authorities¹⁸.

The port authorities appeared reluctant to propose a convenient site for hosting trucks and the ships of the connection. The site proposed was located in a very remote area of the port, with very poor geophysical conditions, next to the chemical industries of the Fos area. This location was considered by most of the stakeholders as a weak point of the project.

¹⁷ Today, intra-European shipping represent 70% of the activities of French Ports.

¹⁸ GPMM: Grand Port Maritime de Marseille

Today, the situation is changing, at least within French port authorities, with GPMM having approved to develop facilities dedicated to MOS and the port of Toulon willing to reactivate MOS from the docks of Brégaillon.

THE PORT OF CIVITAVECCHIA (LATIUM)

The port of Civitavecchia is the point of reference for the central Italy and is assuming a more and more important role for the ro-ro¹⁹ and ro-passengers ship traffic. The port is on the intermodal corridor n.1 Berlin-Palermo. Mainly the hinterland connections are carried out by carriers which load and unload from the ro-ro ships and generally have origin and destination in the bordering regions. The Port of Civitavecchia is a port of national importance and therefore most of resources came from State interventions. The “Legge-Obiettivo” recognized the role of essential hub of Central Italy to Civitavecchia providing for the allocation of funds for the finishing the necessary works to become a point of reference for MoS.

To support the development of MoS, Port Authorities have carried out some important works like the transformation of old docks in terminal for ro-ro ships, the construction of new docks and new parks. At the moment there are about 195 millions euro allocated by Intragovernmental Committee for Economic Planning (CIPE) but not available as to 300 millions euro. The difference will be covered by private resource (project financing).

However the weak point is the interconnection between the harbour infrastructures and the road and railways networks. In this perspective, a project is planned in order to open up the railway line Orte-Civitavecchia again to connect the port of Civitavecchia with Orte and therefore with the industrial area of Terni (Umbria) and mainly with the axis Firenze-Roma and Orte-Falconara, port on Adriatic Sea. Different co-financings have been identified:

- In December 2008 the European Commission financed the preliminary and detailed project concerning Civitavecchia railway link between the Motorways of Sea Terminal in Civitavecchia and the TEN-T Axis n.1 in Orte with 1 million euro (50% of the overall project cost);
- In February 2009 the Latium Region authorized the regional co-financing for 600.000 euro (30%);
- The Interporto of Orte will contribute to an amount of 200.000 euro (10%);
- The remainder, that is 200.000 euro (10%), is financed by Civitavecchia port authorities.

¹⁹ See definition above.

The “governance gap”

Beyond adaptation and upgrading of ports infrastructures, the stakeholders interviewed underline that the technical constraints or financial resources are not the main obstacles to the development of MOS. For them, the main issue relies on the governance of MOS and more particularly on the relationship between the “public sphere” and the “private sphere”.

MOS represent a revolution of the logistic chain

In comparison to “traditional” international maritime transport of goods or to classical road transport, MOS are introducing new constraints for all the different stakeholders of the logistic chain.

The door-to-door service offered by MOS projects require maximum fluidity in the process of transferring trucks from road to ship. Of course, this time constraint increases with the transport of fresh goods. In order to propose to road transport companies a fluid, rapid and reliable service it is necessary to have an efficient coordination of the various stakeholders and to, as much as possible, reduce their number. This involves a very high degree of coordination between the different trucks and thus between freight brokers that are responsible for following up the goods at the different stages of the transport chain. Today, this level of coordination does not really exist.

In other word, the objective would be to have one integrated service. Port coordination is required in order to manage the trucks at each step of the transport chain. Moreover, port infrastructures and services are very seldom adapted to the fluidity required by MOS. This demand is even increased by the intra-European dimension of MOS: within the EU boundary, goods should not be delayed by custom procedures that are routinely applied to goods transported on international routes.

Lacks of the public sphere

Public policies and public funding systems supporting MOS do not appear to address the complexity of MOS projects and notably the need to articulate a multiplicity of stakeholders involved in the logistic chain.

European funding systems are very often criticized for their complexity. Today, a few MOS projects have been supported by the EC under its TEN-T and MARCO POLO programmes. Stakeholders have underlined the high level bureaucratic demands and administrative requirements involved by the European application forms. For example, the calls for projects organized within the TEN-T programme are very often misunderstood by stakeholders. As described above, MOS projects are supported by the TEN-T programme through a two-steps procedure where member States play a strong role in organizing call for projects identifying, pre-labeling projects and then submitting them within the TEN-T programme. Surprisingly, MOS are the only priority project within the TEN-T policy to involve such a two-steps procedure. For the European Commission, this procedure aims at checking the level of involvement of national authorities in the MOS projects which is therefore recognized as a success criteria.

At national level, the call for projects launched by French, Italian, Spanish and Maltese authorities in June 2009 involves only three categories of actors: one shipping company and two port authorities. For many private stakeholders, such a list implies an implicit restricted governance framework where several key actors, and therefore key issues, are not represented: logistics actors, other transports sectors, local authorities...

Lacks of the private sphere

The “governance gap” in the implementation of MOS projects is not only an issue for European, national or regional public authorities but also the matter of private actors. Indeed, the coordination of various steps of the logistic chain, as required by such integrated projects, is typically a private issue that cannot be completely regulated from “outside”.

It is often presented as a very complex issue, since the coordination of the various steps of the logistic chains may belong to various actors according to the context. It depends on who dominates and controls the logistic chains. The coordinator may be the road transport companies, logistic companies and freight brokers, producers or traders themselves or even shipping operators... In order to facilitate the coordination of the logistic chain, the French think tank *Bureau de Promotion du Short Sea Shipping* (BP2S) had proposed to elaborate a single European intermodal transport document²⁰. Such a document would greatly simplify the procedures at the various steps of a MOS.

Lack of multilevel governance

Beyond the respective lacks of public and private actors, the “governance gap” is also characterized by the little room existing for multilevel governance, involving public and private actors at European, national and regional level of action, for both preparation and implementation of MOS projects.

As underlined above, MOS policies and projects involve the coordination of many stakeholders from public and private sphere which very rarely find places or institutions where to dialogue and exchange on their respective needs, constraints and strategies and where to build common trust and understanding as well as potential future cooperations. MOS projects (for example the provisioned connection between Fos and Savone) lead to the establishment of a Steering Committee involving a wide range of stakeholders: State; local and regional authorities; transport and logistic companies; port authorities; experts; chambers of commerce. The implementation of a proper governance framework is thus a major criteria of success for such projects. Despite the existence of such bodies, many stakeholders underline the deep gap between the complexity of MOS projects and the narrowness of governance system created to implement such projects.

As stressed by Mr Vanderhaegen from DG TREN: *“In general terms, the governance of the motorways of the sea suffers from the lack of cooperation between public and private actors. Public and private actors behave as if they belong to different worlds and do not trust one another.”*

²⁰ For each type of transport (air, rail, road, ships) the carrier or their agent issues a transport document which acknowledges the receipt of goods. So far, each category of transport operators uses its own procedure and type of transport document.

III. MOS AND REGIONS: THE END OF GREAT EXPECTATIONS?

Initially, MOS had raised great enthusiasm among European regions and particularly among Mediterranean regions. For many maritime and peripheral regions, such concept appeared as a lever for a better integration in the European single market but also in global trade. As a component of modal shift, MOS announced a change in transport policies towards the adoption of a more environmentally responsible organization of goods transport in Europe. This enthusiasm has progressively been replaced by skepticism and discouragement along with emergence of difficulties, external constraints and internal lacks that slowed down the practical development of MOS in the Mediterranean area.

MOS: progressive disillusion of regions

Today, the level of regional expectations towards the development of MOS connections has strongly decreased. This relative disillusion lies first in the little development of MOS in the Mediterranean regions. The weight of sorry experiences also explains the progressive loss of interest of some Mediterranean regions. More important, regions are more and more aware of the complexity of the governance of such projects and conscious that they are not today in the position to play a leading role in the development of MOS that involve a lot of conditions on which they have no control.

Where are we today in the development of MOS in the Mediterranean?

Does it mean that almost 10 years after its adoption by the Commission, MOS still have no reality? The question seems difficult to address for contradictory signals are to be observed: on the one hand, numerous connections between Spanish and Italian ports are emerging almost spontaneously; on the other hand a very little connections have so far been labeled as actual MOS by their European promoters.

DISAPPOINTING RESULTS OF PUBLIC FUNDING SYSTEMS

Despite the various funding systems existing at European level but also at national and regional level to support MOS project and despite the important available budget to finance projects, the European Commission encounters difficulties to identify mature MOS projects. As acknowledged by the European coordinator in its 2009 annual report: *“Unfortunately, so far, not very many actions have been developed with the label of Motorways of the Sea. This apparently reflects a lack of interest from the sector”*.

MOS represent so far the only sector of the TEN-T policy where the European grants are not easily spent. A dedicated budget of 310 millions euros was provisioned for the 2006-2013 period. So far, the major part of that budget, 280 millions euros, remains “untouched”. Within the MARCO POLO programme, 25 modal shift projects have been financed and only one MOS: the connection between Zeebrugge and Bilbao that is not taking place in the Mediterranean area.

THE SUCCESS OF SHORT SEA SHIPPING CONNECTIONS

In the Mediterranean area, one observes the successful development of numerous short sea shipping connections. For example, Spanish ports are developing direct connections with Italy: Barcelona-Genova; Castillon-Marina di Carrera... As mentioned above, shipping companies are very often the initiators of such connections for which they are most of the time granted by the MARCO POLO programme “modal shift” projects NUANCER LA PLUPART DU TEMPS NON!!.

To a certain extent, this massive growth of connections has already changed the landscape of goods transport; for example, between Spain and Italy where, according to some experts, 50% of the trucks connecting Spain and Italy are today carried by ship. The distance between Spain and Italy makes it very competitive to use sea highways rather than road transport.

Shortsea connections leaving from the port of Genova

Aware of the not complete unambiguousness of the term “Motorways of the Sea”, the Port Authority’s official summarise the following lines sailing from Genoa:

GNV: Olbia, Porto Torres, Palermo, Barcelona, Tangiers, Tunisia;

Grimaldi Napoli: Catania, Malta;

Tirrenia: Arbatax, Olbia, Porto Torres;

Cotunav (agent Tirrenia): Rades-Tunisi;

T-Link: Termini Imerese;

Comanav: Tangeri;

Moby Line: Bastia, Olbia, Porto Torres;

Grendi: Cagliari, Porto Torres (with GNV).

In spite of the economic slowdown, heavily affecting all transport sectors, in Italy motorways of the sea increased their traffic thanks to their cheapness, enhanced by State incentives (“Ecobonus”) to the carriers. So it is not surprising that “Grimaldi” company, based in Naples, has set up 18 new lines (a pair of them with Libya) doubling its capacity between Italy and Greece, purchasing 28 new ships on delivery by two years.

These lines are the result of industrial projects where private companies (ship owners, freight brokers, road transport companies are even port authorities) are key players in identifying the actual needs that should be addressed by the lines: frequency, regularity, harbours of departure and arrival... Most of the time, these connections have been granted by the MARCO POLO programme as “Modal shift” projects.

THE WEIGHT OF SORRY EXPERIENCES

In addition to the relatively low result of European and national incentives supporting the creation of MOS, regions’ enthusiasm has also been tempered by the return of experiences where their involvement have been perceived as a failure.

The case of the Toulon/Civitavecchia line has left regrets within the PACA regional authorities. All the more, the stopping of this particular connection is still difficult to analyze for many stakeholders: weight of the 2008 economic slow down, lack of diversification of the customer panel, opportunism of private operators towards public grants, bad luck... The project has mostly highlighted some internal gaps of regional authorities regarding MOS and

more generally complex projects and particularly the lack of internal expertise and the difficulties to follow-up projects in the long run.

The multiplicity of obstacles

The concept of MOS has been attractive thanks to its simplicity. Boarding trucks on ships seemed to be a very simple solution avoiding the numerous and obstacles associated to the development of “hard infrastructures” such as highways or railways. Today, this perception has been replaced by a deep feeling of complexity and of loss of control. As underlined earlier, the variety of stakeholders is a factor of complexity; on the other hand, many stakeholders stress the multiplicity of technical, legal and economic obstacles for the MOS to become “*a reality*”.

INCONSISTENT NATIONAL TRANSPORT POLICIES

The first category of obstacle to the development of MOS concerns the national transport policies and their weak impact on modal shift.

As underlined by many stakeholders, without active national policies in order, transport costs in Europe will remain structurally favourable to trucks. Indeed, these costs do not integrate most of the negative externalities associated to road transport. This is particularly the case in France. On short and middle distance (up to 700 km), road transport is always cheaper in France than railway or sea transportation. For instance, trains and ships have to pay port fees (36 euros for a train in the Port of Marseilles) whereas trucks do not. Such disequilibrium is aggravated by the increase in oil price. Such policy could aim at favouring modal shift, as it is the case in Italy with the Eco-bonus system, or it could aim at increasing the cost of transport by trucks (taxes on oil, highways fees) or improve the way existing rules and limits of being controlled.

Today, national transport policies are far from promoting actively alternative modes of transport and modal shift. On the contrary, the cost of road transport is being decreasing in the past few years with the growing competition of drivers from Eastern Europe²¹. Such competition is also jeopardizing fret transport (railways). In Italy, stakeholders underline that even the Eco-bonus system implemented in Italy seems to have disappointing results on modal shift.

INTERDICTION DE ROULER

EUROPEAN BARRIERS ON PUBLIC AIDS

Public financial systems are strongly constrained by the European regulation on state aid to private companies.

In this framework, added to European financing, national and regional grants should not exceed 35% of the eligible cost over a 5 years period. However, without European grants from the MARCO POLO or the TEN-T programmes, national financial support would be considered by the European Commission as State subsidize which should therefore be notified to the European Commission and approved by the DG TREN. In order to be granted

²¹ Laws and rules that are supposed to regulate the activities of drivers in France are not everywhere actually implemented. The lack of human resources devoted in the PACA DREAL (around 40 persons) to the control of trucks illustrate this state of “unfair competition”: a total amount of 1200 trucks are controlled each year which makes a ratio of about 1 on 1000 chance to be controlled for a truck driver. According to Mr Leydet, this ratio is far from being prohibitive.

to the amount of 35% of the operating costs over a 5 years period, projects of MOS should be labelled by the MARCO POLO or RTE-T programme.

Tools of regional influence on national and EU transport policies

According to many stakeholders, there is a “broad way” for regions’ intervention on transport policies provided that would improve their individual and collective organization and they would produce sound and expertise-based documents.

Lack of visibility of regions at European level

Despite the important expectations towards regions expressed by many stakeholders, regional actors still have little visibility in transport and MOS policies at European and national levels.

A good illustration of that lack of visibility is the very little room dedicated to regions in expertise such as the report on MOS realized in May 2009 by the member of the French parliament. The very weak role attributed to regions in this report may be explain by the French Jacobin tradition of centralized management of public choice and particularly of infrastructure policies.

More worrying is the quasi-absence of region in the 2009 report of the European coordinator for MOS, Luis Valente de Oliveira. As mentioned earlier, Mr Valente de Oliveira is a former president of CPMR who had been influential in his assignment by the European Commission. The TEN-T meeting organized in Naples in October 2009 gave another good example of the balance of influence between regions organizations and private lobbies. For a total amount of 300 participants, representatives of regions were about 10 to 20. This situation illustrates how regions are not actually committed to influence European policies.

Lacks of capacities of interregional cooperation bodies

For many regional actors, the lack of visibility of regions at European and national level is due to the capacities of the interregional organization such as the Committee of Regions or the CPMR.

THE COMMITTEE OF THE REGIONS

The Committee of Regions is a prominent European regional institution. Since the Treaty of Maastricht in 1992, it provides local and regional actors with an official recognition and consultative role within the European decision-making process. This consultative role has been enriched since the development of “initiative advice” which allows the Committee not only to react on regulations and directive proposals but also to initiate and propose policies and regulations to the Commission and the European Parliament.

Nevertheless, the Committee of Regions have very little influence on specific policies such as transport and MOS. On such issues, the Committee appears very seldom as enough proactive or even reactive to be considered as a relevant tool for regions. The weakness of Mediterranean issues and policies in the agenda of the Committee also contributes to undermine the relevance of the Committee in the MOS governance framework.

THE CPMR MEDITERRANEAN COMMISSION

As described earlier, the CPMR has played a significant role in the elaboration of MOS policies since 2001. In this context, the Transport Working Group of the CPMR Mediterranean Commission should provide Mediterranean regions with the ideal framework to develop expertise, strategies and cooperation on transport issues and MOS.

Today, despite the efforts performed by its coordinator, only partial results and outcomes have been achieved so far within this working group. The transport Working Group of the CIM is characterized by the central position of the Aragon region. The Aragon position on transport is focused on the issue of trans-Pyrenees transport and is very little concerned by maritime issue. In this context, the Aragon leadership on transport issue is often challenged and discussed by other regions and notably other Spanish regions such as Murcia and Andalusia.

THE LACK OF TECHNICAL EXPERTISE

Technical expertise is thus a key asset in order to influence European policies.

CPMR lacks internal expertise in order to face the various requests addressed by European actors. Efficient lobbying involves the mobilization of specific technical skills but also legal and economic competences. On the particular issue of MOS and shortsea shipping, internal expertise would be required in order to address demands for key note and strategic papers draft from the EC. Compared to the Commission or professional lobbies, CPMR seriously lacks time and human resources.

This lack of time and energy often prevents the CPMR from being as reactive as necessary. For instance, no position was prepared for the latest revision of the MARCO POLO programme. In the same line, CRPM has not responded to a demand from DG TREN to contribute to the vademecum for motorways of the sea, in order to introduce cohesion criteria.

The role of private lobbies

Compared to regional organizations, industrial and private lobbies are very influent in the making of European transport policies.

Private actors are well organised, they have constituted numerous associations and organizations that are very influential within the European Commission and notably within DG TREN. More precisely, their influence is based on many factors among which the frequency of contacts and the capacity to react very promptly to the Commission solicitations (green papers...). These organizations have the ability to address the needs of the European Commission, Parliament members or the Coordinator. They are very reactive and benefits from heavy expertise capacities. They still have greater capacities than region organizations such as CPMR.

Their influence lies in their capacity to provide decision-takers from the European Commission, the Parliament or even the European coordinator with key note papers embedding reliable technical expertise, following the high pace of the European consultation process.

A lack of capacities of individual regional authorities

The contribution of regions on European and national MOS policies remains to be more substantial on the preparation phase than on the implementation phase. This statement is paradoxical since the implementation phase seems the most adapted for regional involvement and possible steering, the most consistent with regional competences (transports, spatial planning, economic development...). However, MOS have mostly revealed deep gap in the regions' internal organization.

The strategic gap

To be effective and sustainable, MOS should be integrated in a complex logistic chain involving many actors of the regional territory. MOS projects thus require a global transversal vision and a strong ability to coordinate a wide range of stakeholders from both public and private sectors.

Regional actions within MOS projects should therefore be enshrined in a sound and well prepared transport strategy integrating considerations with broader issue of regional economic development and spatial planning. In most cases, one actually observes lack of regional strategies regarding freight transport and even sometimes transport in general. For example, in the Lazio region the programming context shows the lack of a transport regional plan. Now there are only the guidelines of the Regional Plan for Transports, Mobility and Logistic, adopted in 2006.

The expertise gap

Practical examples of MOS project implementation reveal an "expertise gap" within Mediterranean regional authorities.

This gap is first the result of human resource issue. For instance, in the PACA region, regional capacities in the following-up of MOS are very limited; MOS are not a direct competence of regions in France, thus, no full-time project manager or expert have been dedicated to this issue which is, in the PACA regional council, "splitted" between different other issues: European projects, sea transport and freight transport in general (railway, fluvial and sea)... Thus, in the context of the Toulon/Civitavecchia connection, the PACA regional council had been an important stakeholder of the project in terms of financial participation.

Another illustration is the difficulty encountered by the PACA region to mobilize internal or even external expertise in order to assess project opportunity like the Toulon/Civitavecchia connection. For such project, regional authorities mostly relies on the expertise brought by other partners such as State services involved in the preparation of the connection between Toulon and Civitavecchia. As outlined during interviews, surveys and studies are performed and are available but they are not easily mobilized and implemented in the decision-taking process.

The dialogue gap

As underlined by many stakeholders, regions can play a key role in MOS policies and projects but they cannot play alone. Playing a collective game with other stakeholders from both public and private sphere requires the development of internal dedicated capacities and skills.

Relationship with the private sphere is a particular issue for regional actors. Indeed, the development of MOS project involves the participation of various industrial private stakeholders participating to the logistic chain. In many contexts, relations between the regions and these private stakeholders are very often described as weak and difficult. Most of the time, regions and industrial actors are still “aliens” to one another which is not the case of other public actors. As often stressed, the European Commission has developed very close relationships with private actors that are very well organized and involved in the policy-making process. Even national State, notably through their regional and local delegations are actively involved in different forums, clusters, chambers of commerce where contact, mutual understanding and trust are being built with private actors. This is rarely the case for regional actors that are surprisingly often less informed of the strategies and projects of regional companies than State services. Internal regional organization is often a key factor. MOS would require in each region a dedicated contact person that could take care of the follow-up of MOS and dialogue with other stakeholders.

Regarding the key role played by port authorities, regions should also pay a specific attention to their relations with this category of actor. In the PACA context, the region is an official stakeholder of the board of the port of Marseilles. So far, the actual participation of those local stakeholders is strongly limited by the lack of preparation of the meetings of the Development Board, notably the poor availability of draft documents.

IV. SCENARIOS OF REGIONS' CONTRIBUTION TO MOS DEVELOPMENT AND EUROMED TRANSPORT POLICIES

The investigation presented in this report eventually results in the identification of 4 scenarios for the governance of MOS. The scenarios are built according a combination of two main uncertainties, or key parameters, that characterized the development of MOS in the Mediterranean region that are, on the one hand, the nature of public intervention (horizontal or vertical), and, on the other hand, the level of Mediterranean integration (strong or weak). The scenarios are also built on the assumption that they are some unavoidable trends that will, in any case, impact the future development of MOS.

Key parameters and unavoidable trends

Despite the lacks and obstacles identified, stakeholders interviewed come to congruent conclusions: regional authorities should not discourage and keep on reinforce their capacity to participate to transport policies, MOS is still a big issues at European and national level. However, enhancing regions' contribution to Euromed transport policies involves to redefine the issue at stake and to enlarge the scope of the targeted activities: from MOS projects to a wide multimodal logistic revolution.

Two key parameters

The two key parameters used to build the scenarios are the nature of public intervention towards MOS and transport policies and the level of Mediterranean integration of the strategies of public actors' intervention.

VERTICAL VS HORIZONTAL PUBLIC INTERVENTION

Public authorities are key stakeholders of transport policies. From regulation to infrastructure financing to direct operation of transport (i.e. railway), t

According to certain expert, the actual development of MOS require a much more massive participation of public authorities at regional, national and European level in supporting and financing connections which should be considered as a public service rather than a private operation. For example, according to the report dedicated by Henri de Richemond, member of French Senate, to the issue of MOS, a true MOS policy would require to consider them as a "service of general economic interest" as recognized in the article 16 of the European Treaty²². In this perspective, the definition of a MOS could perfectly match the criteria defined by the Altmark judgment to qualify a SGEI. The service public obligation here lies in the commitment to respect a certain frequency and regularity in the connection, whatever the level of demand. The definition of MOS as a SGEI would allow escaping from the limits (rate, duration, ceiling) imposed by the MARCO POLO and TEN-T rules that restraint very strongly the capacity of modal shift²³. Considering MOS as a public service and supporting

²² This report was realised and released on 26th May 2009 to the request of Mr Bussereau, French State Secretary for Transports.

²³ "Without prejudice to Articles 73, 86 and 87, and given the place occupied by services of general economic interest in the shared values of the Union as well as their role in promoting social and territorial cohesion, the Community and the Member States, each within their respective powers and within the scope of application of this Treaty, shall take care that such services operate on the basis of principles and conditions which enable them to fulfil their missions."

them as such would then also require changing the TEN-T rules so that the purchase of ships could be funded as infrastructure expenses. Up to now, TEN-T rules do not allow the financing of mobile infrastructure. The generalization in the European Union of the Eco-Bonus system implemented in Italy is often considered as a power lever for modal shift and thus for the development of MOS.

Another approach of the development of MOS insists on the counter productive effect of public direct intervention and notably the allocation of grants to private transport companies that proved to be inefficient and does not allow actual economic dynamism. Moreover, many stakeholders underline the need to broaden the scope of the discussion from the single issue of MOS to a broader issue that is the coordination of freight strategies and the enhancement of modal shift at the Euro-Mediterranean level. The focus is here no longer on the maritime issue but on the whole logistic chain. In parallel, public action is no longer reduced to single target but is aiming at the development of interfaces and “horizontal connectivity” between the different transport operators.

MEDITERRANEAN INTEGRATION OF TRANSPORT POLICIES

Mediterranean integration refers to the implementation of a regional approach to the Euro-Mediterranean area on the issue of MOS and more broadly on transport policies. As explained above, such approaches are today still in infancy. As described above, the Euromed Transport Project has already allowed the elaboration of Euro-Mediterranean Transport Action Plan. Nevertheless, such report has received very little political visibility and recognition. The action plan defined in this document has not so far given birth to an intergovernmental agreement on transport.

The Mediterranean integration of transport policies clearly depends on the future development of the Union for the Mediterranean. The project of Union for the Mediterranean initiated by French authorities since 2007 is based on the statement that the political and institutional methods did not manage to reach the announced objective and should be replaced by a more flexible approach based on the implementation of concrete projects. Nevertheless, it seems that the UpM is now facing the same difficulties than the former Barcelona process, namely the difficulties to reach agreement at the intergovernmental level. Today, the intergovernmental dialogue within the UpM seems to be blocked by internal difficulties, such as the Israeli-Palestinian conflict, as well as external geopolitical uncertainties, such as the progress of the negotiations on Iranian nuclear facilities. As a result, Interministerial meetings have been regularly postponed since the inaugural conference of 13th July 2008 in Paris. The establishment of the Secretariat General in Barcelona is also delayed and the launching of the concrete projects announced (water, energy, transport) by the heads of State and Government is still expected.

The unavoidable trends

In parallel, some trends appears as major unavoidable constraint of the future transport policies, particularly in the perspective of the development of MOS

MOS ARE STILL ON TOP OF THE EURO-MEDITERRANEAN AGENDA

Despite the disappointing results of MOS policies so far, reading at official statement, MOS are still presented as the future of transport in Europe and particularly in the Mediterranean region.

MOS are regularly mentioned as a key project of the Union for the Mediterranean (UpM). Different recent European statements have reset MOS on top of the EU's policy agenda. For example, in its presentation of the Progress report outlining the achievements of the EU's maritime integrated policy, Mr Barroso commented: *"I believe that we can build on our work so far and take the next steps with vigour and confidence. For example, I want the MOS to become a reality"*. In the same line, the European Commission has recently announced its will to reinforce its contribution to priority projects of the Union for the Mediterranean, among which MOS. Moreover, since 2007 and the launching of the Union for the Mediterranean initiative, MOS are repeatedly presented as a key project to be developed within such initiative.

THE INCREASING PRESSURE OF ENVIRONMENTAL CONSTRAINTS

As presented above, environmental concerns were a key motive for Mediterranean regions to support the concept of MOS. As illustrated in France by the organization of the "Environment Grenelle" in 2008, environmental issues is increasingly recognized as a top priority in European and national policy agenda. Many experts underlines this trend as a favorable context for the development of MOS in the forthcoming years.

So far, national transport policies have been very prudent in the promotion of modal shift. According to many actors, the financial incentive systems implemented up to know are not sufficient to address the issues of road transport. In this context, many experts underline that a massive development of MOS should not be expected now since competition with road transport is too defavourable for the moment. In the future, MOS will however provide with a valuable alternative to road transport that will inevitably face severe limits and deadlocks such as road congestion and increasing oil price. In the long term, it makes no doubt that the broad logistic chain will deeply change and that public policies will have to adapt to that new reality. For Jean-Marie Millour, manager of the Bureau of Promotion of Short Sea Shipping (BP2S): *"the issue at stake for public authorities is whether they will be able to anticipate and prepare this radical change in transport modes or whether they will have to adapt in emergency to these evolution with all relative cost and negative externalities"*.

THE DEVELOPMENT OF NORTH/SOUTH CONNECTIONS

For private stakeholders, the major potential MOS projects should connect ports from both side of the Mediterranean. For example, a study on the Ro-Ro development (MoS) of the Civitavecchia port has been performed. A simulation by means of demand models has been conducted to evaluate additional demand for new potential Ro-Ro line services between Civitavecchia and other Mediterranean ports, namely Tangier, Algiers and Alexandria. It has been also conducted the evaluation of the potential development of the Civitavecchia port as terminal of a land bridge service from/to Balkans and the Eastern Europe. From the simulations resulted:

- Civitavecchia-Tangier: considering a direct line operated three times a week it results a yearly potential traffic of about 246.000 tons, equivalent to more that 80% of average load factor. This traffic shows that this line has concrete potentials and puts in evidence the possibility of a land bridge with Balkans.
- Civitavecchia-Algiers: this line resulted in about 118.000 tons/year of potential traffic, reachable by a weekly direct line, possibly within a larger ship route.
- Civitavecchia-Alexandria: this line has a narrow catchment area but is able to potentially generate about 90.000 tons/year of traffic. This can be possible by a direct weekly line within a larger ship route.
- Land bridge: this is a road (or rail) link between the two ports of Ancona and Civitavecchia within a direct link between Balkans and South Europe / North Africa, acting as a bypass of the TEN-T Corridor I. The results of the simulation show a potential demand of 270.000 tons/year on the link Ancona-Civitavecchia (both directions).

REGIONS AS KEY PUBLIC STAKEHOLDERS

The role of regions in MOS projects still remains quite marginal. However, the empowerment of regional authorities in future Mediterranean connections seems to be unavoidable.

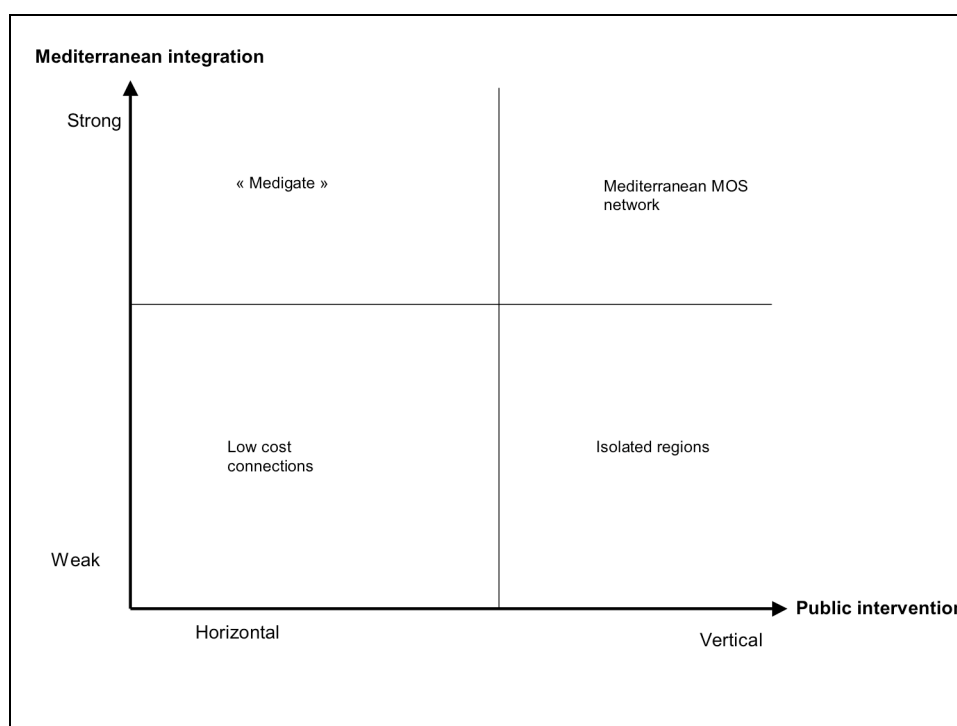
Among stakeholders interviewed, the statement is unanimous: regions will involve more in order to develop MOS projects; regions cannot play alone but no worthwhile projects could be achieved without their active participation. Whatever the progressive disillusion of Mediterranean regional actors and their lack of proactive attitude towards MOS, a remarkable result of the present study lies in the remaining expectations of all stakeholders concerning the role of regions. Different reasons can be raised. Firstly, the implementation of MOS projects involves the mobilization of many regions' competences (transport, spatial planning, economic development...). Secondly, budgetary constraints will inevitably undermine the financial commitment of central administrations. Massive contributions from European institutions and regional authorities are therefore highly necessary to co-finance the emergence of new connections in the Mediterranean area.

As for regional authorities, the relative disillusion towards MOS has not led to discouragement. MOS are still envisaged as an opportunity for sustainable development and improvement of attractiveness and global competitiveness. In a context of limited public investment in transport infrastructures (highways, railways) notably for goods transport, MOS are still a very attractive concept.

4 scenarios for the regions' contribution to the governance of MOS

The combination of the two uncertainties described above and the integration of the “unavoidable trends” also developed earlier resulted in the identification of 4 scenarios. Among the “stories” presented here, there are no positive or negative ones; the scenarios have the same probability and aims at presenting different governance features with different kind of regions' involvement.

The 4 scenarios



Scenario 1 – A Mediterranean MOS network

The first scenario combines vertical public intervention with a high degree of Mediterranean integration.

THE BROAD PICTURE

A growing awareness of the need to coordinate the development of MOS at Euro-Mediterranean level. In this perspective, European policies and instruments supporting MOS are being massively reinforced.

Following the experience of the Regional Transport Action Plan elaborated in the framework of the Euromed Transport Project, a Euro-Mediterranean Transport Action Plan is officially adopted by the European Commission and then by the EU member States and all the other Mediterranean partner countries. This pan-Mediterranean perspective leads to the revision of the main European instruments supporting projects infrastructure and projects: TEN-T and the MARCO POLO programs are also extended to connections with Eastern and Southern Mediterranean countries.

In parallel, MOS are recognized by the European Court of Justice as a SGEI. In parallel, TEN-T rules are changed by the European Commission in order to allow the public funding of ships that are thus recognized as “infrastructure”. A European Eco-Bonus system is

established to allow a massive shift from road to shipping transport of goods carriage. In this perspective, a set of guidelines is published by the European Commission urging Member States to adopt such a Eco-Bonus systems.

In parallel to these financial systems, a network of priority connections is established at the European level.

ROLE OF REGIONS

Regional authorities are directly and massively involved in the financing of the MOS created. The practicalities of such involvement may vary according to the specific governance framework adopted with either public authorities create a SGEI to have the ships financed as infrastructures or public-private companies created with a contribution of public authorities to support the extra cost of operating MOS.

In a first option, regions may endorse the role of regulators, meaning they are involved in the choice of the ships they are co-financing but also in the definition of the timing and pricing policy of the connections.

In the second option, regions could also provide operating companies with a grant without ceiling to reach financial balance.

Scenario 2 – The “Medigate” scenario

The second scenario combines a strong level of public intervention and a weak level of transnational cooperation.

THE SCENARIO

A wide Mediterranean framework is set up and adopted by the European Commission and all the Mediterranean country partners. The vision embedded in the vision does not involve a massive, “vertical”, public support to MOS that are no longer promoted as “the one best way” of modal shift but to develop integrated transport and logistic strategies.

A Euro-Mediterranean framework is thus adopted thanks to a multilateral agreement involving public and private stakeholders at the various levels of action (regional, national and European). A “soft governance” model is thus chosen in order to accompany and enhance modal shift which is seen as an inevitable trend. In this perspective, Eco-Bonus systems are established in most of the European countries of the Mediterranean.

Rather than focusing on a single alternative mode of transport such as MOS public authorities here chose to develop coordination and information procedures for private companies to adopt the most appropriate choice of transport according to a variety of factors: kinds of goods carried, journey, available networks...

ROLE OF REGIONS IN THE SCENARIO

Port authorities appear as a key stakeholders

Regions are heavily involved in both the financing framework and the strategy making (if any). Within the boundaries of their own regional territory, regional authority play a key role of coordination and facilitation:

- recommends the employing of cooperative models among freight village managers, port terminal managers, port authorities and public authorities.
- clearly fosters the deployment of more efficient operational/business models and

- Provides a frame of reference for infrastructure managers, terminal owners and authorities for decisions and land planning investment and the financing of infrastructure

Scenario 3 – Low cost connections

The third scenario combines a weak level of public intervention and a weak level of transnational cooperation

THE SCENARIO

This scenario is based on the continuation of existing trends.

The main driver of the development of MOS is the private sector. Central states will also have a major impact in changing or not the regulatory framework on transport and by adopting (or not) dissuasive policies for road transport such as a Eco-Bonus system.

Market place is the leading force, thus, relationships between the various stakeholders are more characterized by competition than cooperation: competition between ports, between private companies, between territories and notably regional authorities

Private companies, mainly ship owning companies, develop short sea shipping connections according to the opportunities emerging from the market trends and provided by remaining public funding systems.

ROLE OF REGIONS IN THE SCENARIO

Regions remain clearly marginalized in this scenario. However, they are involved, at least in France, as stakeholder of port authorities where they can play a role in the upgrading of the infrastructures and procedures in order to reach a “low cost” profile.

Scenario 4 – Isolated regional initiatives

The fourth scenario combines a weak level of public intervention and a strong level of transnational cooperation.

THE SCENARIO

In this context, MOS results from national or regional isolated projects. There is no Mediterranean integration but a diversity of national and regional regulatory framework. MOS policies are more than ever a jig-saw puzzle, each project relying on numerous co-financings.

The absence of Euro-Mediterranean integration makes impossible to recognize MOS as public services. In this perspective, considering ships and financing them as such is still not possible. Public intervention is thus characterized by punctual grants that remain limited by the European rule on State aid. At national level, some member States establish a Eco-Bonus system but the others do not.

The level of coordination with private actors depends on the political will of national and regional decision-takers who may favor or not the adoption of integrated freight strategies.

In this fragmented framework, there is a strong competition between connections, despite the high level of involvement of public actors. Thus, the MOS connections developed within this scenario often suffer from a lack of economic viability and sustainability. The impact of MOS on the reduction of road congestion and greenhouse gases emission remains relatively unchanged.

ROLE OF REGIONS IN THE SCENARIO

Regions have a key role in this scenario since no MOS project is possible without their agreement and commitment. MOS constitutes “flagship” project with a high political visibility. Despite their low effective impact on road congestion and carbon emission, these projects allow regional leaders to highlight their contribution to a low carbon emission economy and to the improvement of life quality.

Like in the first scenario, they provide direct financial support to MOS through the allocation of grants (within the boundaries defined by the European rule on State aid)

Bilateral or trilateral coordination between regions is possible; the establishment of European Grouping of Territorial Cooperation (EGCT) is also possible.

ANNEXES

Annexe 1 – List of stakeholders interviewed

European institutions:

DG TREN: *Mr Marc Vanderhaegen*

National authorities

French Ministry of Ecology: *Mrs Nadine Sulzer*

Regional direction for transport and ecology: *Mr Jean-François Leydet*

Experts and lobbies:

Cercle Européen de l'Optimodalité, *Mr Philippe Mangeard*

Bureau de Promotion du shortsea shipping, *Mr Jean Marie Millour*

Jonction, *Mr François Michel Lambert*

CPMR, *Mr Patrick Anvoin*

SITI (Torino), *Mr Ricardo Roscelli*

Shipowning companies:

Henry Roux Alezais, *CMA CGM*

Hervé de Tarade, *CMA-CGM*

GNV, *Mr Ariodente Valeri*

Euroferrys, *Mr Santiago Orduna*

FRS Iberica, *Mr Jose Luis Becerra Dominguez*

Comarit Espana, *Mr Juan Trigo and Andrés Orellana*

Port authorities:

GPMM, *Mr Loic Bezombes*

Genova, *Mr Luigi Barone*

Sevilla, *Mr Angel Pulido Hernandez*

Algeciras, *Mr José Domingo Gil*

Barcelone, *Mrs Ana Arévalo*

Regional authorities:

PACA region, *Mr Christelle Caso, Pierre Lemery Peissik*

Liguria region, *Mr Riccardo Mollo*

Annexe 2 – Article 12a of the TEN-T regulation: Motorways of the sea

1. The trans-European network of motorways of the sea shall aim to concentrate flows of freight on sea-based logistical routes in such a way as to improve existing maritime links or to establish new viable, regular and frequent maritime links for the transport of goods between Member States so as to reduce road congestion and/or improve access to peripheral and island regions and States. Motorways of the sea should not exclude the combined transport of persons and goods, when freight is predominant.

2. The trans-European network of motorways of the sea shall consist of facilities and infrastructure concerning at least two ports in two different Member States. These facilities and infrastructure shall include elements, in at least one Member State, such as the port facilities, electronic logistics management systems, safety and security and administrative and customs procedures, as well as infrastructure for direct land and sea access, including ways of ensuring year-round navigability, in particular the availability of facilities for dredging and icebreakers for winter access.

3. Waterways or canals, as identified in Annex I, which link two European motorways of the sea, or two sections thereof, and make a substantial contribution to shortening sea routes, increasing efficiency and saving shipping time shall form part of the trans-European network of motorways of the sea.

4. The projects of common interest of the trans-European network of motorways of the sea shall be proposed by at least two Member States and shall be geared to actual needs. The projects proposed shall in general involve both the public and private sectors in accordance with procedures which, before aid granted from the national budgets can be supplemented, if necessary, by aid from the Community, provide for a tendering process in one of the following forms:

(a) a public call for tenders organized jointly by the Member States concerned, intended to establish new links from the category A port, as defined in Article 12(2), which they select in advance within each sea area, as referred to in project No 21 in Annex III;

(b) in so far as the location of the ports is comparable, a public call for tenders organized jointly by the Member States concerned and targeting consortia bringing together at least shipping companies and ports located in one of the sea areas, as referred to in project No 21 in Annex III.

5. The projects of common interest of the trans-European network of motorways of the sea:

- shall focus on the facilities and infrastructure which make up the network of motorways of the sea,
- may include, without prejudice to Articles 87 and 88 of the Treaty, start-up aid if, as a result of the tendering process referred to in paragraph 4, public support is deemed necessary for the financial viability of the project. Start-up aid shall be limited to two years and shall be granted only in support of duly justified capital costs. The aid may not exceed the minimum estimated amount required to start up the links concerned. The aid may not lead to distortions of competition in the relevant markets contrary to the common interest,
- may also include activities which have wider benefits and are not linked to specific ports, such as making available facilities for ice-breaking and dredging operations, as

MEDGOVERNANCE/TRANSPORT

well as information systems, including traffic management and electronic reporting systems.

6. The Commission shall, within three years, submit to the Committee referred to in Article 18 an initial list of specific projects of common interest, thereby putting the concept of the motorways of the sea into concrete form. This list shall also be communicated to the European Parliament.

7. The projects of common interest of the trans-European network of motorways of the sea shall be submitted to the Commission for approval."

Annex 3 – European funding possibilities for MOS

	TEN-T Guidelines	Marco Polo	ERDF	INTERREG	Cohesion fund	State Aid
Applicant	Member State	Companies	MS/Regions	MS/Regions	Member States	Companies
Funding focuses on	Infrastructure Start-up aid for capital costs	Start-up aid for services and "ancillary" infrastructures	Large-scale infrastructure and related equipments DOCUP ¹⁸ items	Large-scale infrastructure and related equipments DOCUP items	Large-scale infrastructure (more than 10 million EUR) + related studies; DOCUP items	Infrastructure Equipment Services
Objective of programme	Modal shift – cohesion	Modal shift	Regional development	Cross border, trans-national and inter-regional co-operation	Cohesion between MS with the help of actions in transport and environment	Development of short sea shipping and intermodal transport
Funding intensity	max. 20% for projects; 50% for studies	Up to 35%	Up to 85% in ultra-peripheral regions; 80% in cohesion MS; 75% in Obj. 1 regions; 50% in Obj. 2 regions;	Up to 85% in ultra-peripheral regions; up to 75% in Obj. 1 regions; 50% in the other regions	Up to 80% of public costs (85% for ultra-peripheral regions); up to 100% for studies	30% for services and 10% for transshipment equipment External cost differential
Duration	Until 2010 – 2 years for start up	Max. 4 years	No formal limit, in practice 2 years	No formal limit, in practice 2 years	No formal limit	Max.3 years
Further information	Webpage ¹⁹	Webpage ²⁰	Webpage ²¹	Webpage ²²	Webpage ²³	Webpage ²⁴

Annex 4 – CPMR contribution to online TEN-T Green Paper online questionnaire (April 2009)

Introductory remark

This paper is a technical response to the DG TREN online questionnaire on the TEN-T review. The CPMR positions on the policy areas addressed by the Green Paper shall be the subject of a political document, after adoption by the CPMR executive bodies.

QUESTION 1: Should the Commission's assessment of TEN-T development to date cover any other actors?

RESPONSE: YES

The very long term international perspective: economy and geopolitics.

The evolution of EU membership (some areas of Europe have completely changed but not all), of EU neighbours (EU neighbouring countries have evolved and changed, including growing importance of relationships with the Mediterranean area, especially Africa and with the Baltic area, particularly EURussia relations), and of global trade flows (container ports etc).

The sociological background: movements in societies in favour of more sustainable mobility. Without aiming at going back to autarchy, these trends ask the question of the sustainability of the ever growing flow of goods, at a higher pace than economic growth.

The relationship between TEN-T revision and the different scenarios of territorial development in Europe is at least underdeveloped in the Green Paper - in the same range of issues, connections between TEN-T and ESPON.

The EU decision-making process: who should decide, and in particular as far as the CPMR is concerned, how the Regions can be involved, not only for co-financing, but also in the decisions. The assessment should also cover the lack of consistency and linkages with other Commission policies and programmes.

QUESTION 2: Should the comprehensive network be maintained or abandoned, and what advantages and disadvantages would either approach involve? Could the respective disadvantages be overcome, and if so by what means?

RESPONSE: YES – the comprehensive network should be maintained

JUSTIFICATION:

The comprehensive network should be maintained, as a framework for showing that a "European network" actually exists, that a comprehensive network provides the opportunity to demonstrate the European Added Value of the TEN-T, as a reference for citizens, public authorities, businesses, and for all EU policies and instruments related to transport, infrastructures and services.

The comprehensive network must provide a visibility for all Regions on the maps, by outlining the important transport corridors in a European context. Development of the comprehensive network should not necessarily be linked to the availability of funding.

However, this 2 level network should not lead to removing/withdrawing resources. The wider approach is interesting, bringing a better European vision, but must integrate criteria to identify priority projects, including their contribution to the Comprehensive Network.

ADVANTAGES:

- Important for access function, territorial cohesion and links to third countries;
- Reference basis for structural policy objectives;
- Basis for a broad range of transport policy objectives (Help: rail interoperability, road safety etc);
- Basis for identification of projects of common interest;
- Broad reflection of national infrastructure planning.

QUESTION 3: Would a priority network approach be better than the current priority projects approach? What would be the advantages and disadvantages of either approach, and how should it be developed? Elements that should be taken into account in the development of a priority network approach (planning method)

RESPONSE: YES – The priority network approach would be better than a priority projects approach

JUSTIFICATION:

The priority projects approach is lacking an overall, long-term vision. It leads to a situation where the European network is just an addition of national priorities, and it goes against a truly territorial approach. The priority projects are based on national budget considerations, and not on territorial and sustainable criteria: accessibility; needs to connect one periphery to another; priority to waterborne and rail transports are not taken into account.

A priority network will give a more pan-European orientation to the TEN-T than the current collection of priority projects. The priority network will also assist with linkages to neighbouring countries, as it will clearly demonstrate the “corridors” which the Commission feel are important for the efficient movement of freight, and people, and this will assist in the identification of “entry” points to the priority network.

The CPMR agrees with the draft report of the EP Committee on Transport and Tourism (2008/2218(INI) of 5.1.2009) which calls on the Commission and Member States "to integrate green corridors, rail freight networks, Trans-European Rail Freight Network (TERFN), European Rail Traffic Management System (ERTMS) corridors, maritime "highways", such as short sea shipping, existing waterways with ample spare capacity, into an intermodal TEN-T concept, based on planned actions in favour of more environmentally friendly, less oil consuming and safer modes".

The Commission should elaborate on methods and criteria for how the current priority projects can best be integrated in a future priority network on the basis of the “elements” listed below. Very importantly, TEN-T must facilitate, by means of a priority network, the connections with regional networks.

ADVANTAGES OF PRIORITY NETWORK APPROACH (COMPARED TO PRIORITY PROJECTS APPROACH):

- More rational planning approach at European level, including the possibility for coverage of network benefits;
- Better focused projects of common interest;
- Possibility for coverage of all modes;
- Coherence between instruments (financial and other) necessary for full network implementation and planning objectives as challenge for future TEN-T policy;
- Possibility for coverage of nodes and inter-modal connections;
- Enhanced possibilities for “environmental optimisation”;
- Possibility of better reflection of major European traffic flows and cohesion objectives;
- The major corridors must be mutually interconnected as well as being linked to secondary or regional networks which make a major contribution to the effectiveness of EU intervention.

DISADVANTAGES OF PRIORITY NETWORK APPROACH (COMPARED TO PRIORITY PROJECTS APPROACH):

- May become too large in scope to ensure sufficient Community funding; thus not much change compared to comprehensive network approach.

ELEMENTS THAT SHOULD BE TAKEN INTO ACCOUNT IN THE DEVELOPMENT OF A PRIORITY NETWORK APPROACH (PLANNING METHOD):

- Traffic flows;

MEDGOVERNANCE/TRANSPORT

- Interoperability and infrastructure standards;
- Social, economic and geographical cohesion, incl. a “territorial coverage criteria”, defining maximum distance / travel time from any location in the EU to the nearest part of the priority network (f.ex that N% of the population should be able to reach the nearest entry point of the network within N minutes);
- Minimum capacity requirements;
- Environmental protection/climate change;
- Safety and security concerns;
- Modal “earmarking”, whereby priority is given to investments in sustainable modes like rail, SSS and Inland Waterways, as well as investments in auxiliary infrastructure for sustainable fuels like bio-fuels, electricity, hydrogen and natural gas;
- Intelligent transport systems and new technologies (infrastructure and vehicles);
- Due coverage of all transport modes;
- Inter-modal connections;
- Connections between long distance transport and local transport/urban nodes;
- Links to third countries;
- Connections with regional networks.

QUESTION 4: Would the flexible approach to identifying projects of common interest, as proposed with the "conceptual pillar", 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? How could the "conceptual pillar" be best reflected in planning at Community level?

RESPONSE: YES – a flexible approach would be appropriate

JUSTIFICATION:

Although this answer has to be YES, further consideration has to be given to the level of flexibility that is being proposed within the Conceptual Pillar. There seems to be general confusion regarding the definition of the Conceptual Pillar, and the flexibility that it will deliver. While there is general agreement that flexibility within the TEN-T to react to changing circumstances is to be welcomed, there is a need to further define how this will work in practice, particularly in relation to

commitment to long term infrastructure developments. The market requires a degree of confidence that long term projects will be carried to conclusion, and that the proposed “flexibility” is not used to withdraw from projects over time. Flexibility does not mean less commitment or fewer obligations to implement priority projects. The question of more or less “rigid” eligibility criteria is crucial here.

The CPMR supports a framework for analysing and selecting future priority projects, which we understand to be the conceptual pillar. This will help take into account the needs of business, and it might lead to a higher degree of private financing. However, the basis for project definition and project selection should not be pure cost-benefit considerations, but the "European added value" which has, at its core, territorial cohesion. The flexible approach could be dangerous if it reduced the level of commitment of the different financiers. The question of good governance of the network is therefore crucial. The flexible approach must also guarantee the improvement of communications at regional level. In order to avoid that some modes are not sufficiently supported (maritime for example, bearing in mind the difficulties to implement the Motorways of the Sea concept), an earmarking system could be envisaged, thus preventing too much public money flowing towards road infrastructures.

ADVANTAGES:

- Allows to incorporate into TEN-T infrastructure-relevant aspects of a wide range of common transport policy measures on a "rolling basis";

- Allows to promote measures that stimulate efficient infrastructure use along TEN-T axes through several Member States or at Europe-wide scale (e.g. measures that may involve infrastructure works of smaller scope and are not reflected in major projects' maps; may cover actions like Green corridors or rail freight corridors; ITS applications);
- Allows for flexibility where necessary to facilitate the development of commercially viable services.

DISADVANTAGES:

- Entails uncertainties regarding the specific definition of projects of common interest (consequently uncertainties in terms of cost, needs and possibilities for Community support).

HOW COULD THE “CONCEPTUAL PILLAR” BE BEST REFLECTED IN PLANNING AT COMMUNITY LEVEL?

Through links to relevant Community legislation, funding instruments and coordination and governance mechanisms.

QUESTION 5: How can future challenges in the sectors of waterborne and air transport (especially ports, inland waterways and airports) as well as of freight logistics be best taken into account within the overall concept of the future TEN-T development?

Do different requirements for freight and passenger transport require different treatment in the TEN-T policy? What further aspects relating to different transport sectors/common transport policy issues should be given attention?

RESPONSE:

Modal earmarking in favour of sustainable modes

In order to ensure that a sufficient level of priority is granted by EU funds to sustainable modes, modal earmarking should be at least envisaged, as well as guaranteeing sufficient funds for intermodal infrastructures, logistic platforms... As regards ports and their intermodal connections and equipments, the current situation is no longer acceptable: they are under-financed by both TEN-T and the Structural Funds (highly regretted by DG Regio, but following national choices). Territorial impact studies should be introduced in the process of selecting projects co-financed by the EU (concretisation of the Lisbon Treaty).

Infrastructure pricing should be made more visible on the EU agenda, in order to prevent the Council blocking any evolution of the Eurovignette directive in favour of sustainable modes.

Maritime transport within TEN-T Better integration of maritime transport into the wider hinterland networks is of prime importance. The flow of goods across maritime borders needs to be simplified. The creation of a single European maritime space may be one way to assist in redressing this imbalance, when compared to continental Europe land travel. It is crucial that future maps include routes across the sea. We need an integrated understanding of corridors.

Implementation of the Motorways of the Sea

The CPMR agrees with the statement in the Green Paper that, “The complexity of procedures for obtaining public financial support and the lack of clear objectives and criteria have however hindered any broad implementation of the concept so far”. It is a fact that potential users perceive MoS under TEN-T to be difficult to use. On this background we expect the European Commission to take actions to improve the situation, and make the MoS instrument more user-friendly. We would also recommend that the Commission works even closer with the various stakeholders in maritime transport undertaking a fundamental review of the MoS concept so that short sea shipping is supported and not constrained.

The Commission must however be careful that any measures it introduces in support of MoS services do not provide an unfair advantage to some ports over others (avoid distortion of competition).

The CPMR believes that the Commission should, as far as possible, try to harmonise criteria, schedules and procedures for MoS projects under the TEN-T and the Marco Polo programme

– offering a more harmonised interface in relation to potential users and exploiting synergies of funding. Such an approach would also fit the ambition of the Green Paper to address the dynamic interaction between the infrastructure and service perspective, as well as strengthening market orientation.

The CPMR also believes that stronger emphasis should be put on the cohesion objective for MoS in the TEN-T guidelines, with a view of drafting more concrete criteria for MoS projects in peripheral areas with weaker traffic flows and longer distances – including outermost regions and islands - including wider opening for participation of small and medium-sized ports . Regional airports within TEN-T Regional airports are of vital importance for the accessibility of peripheral regions, and the slot allocation rules at international hub airports should ensure that existing services to peripheral regional airports can be retained and developed, and new routes encouraged to operate.

Freight and passenger transport present different requirements and thereby involve different treatment. Using the same means, instead of providing more options, results in a poorer service for both transport services. There should be different corridors aiming at freight and passenger flows while minimising bottlenecks to maximise the overall network efficiency.

We have to think about corridors to ensure traffic efficiency, based on the principle that each mode is used according to its comparable advantage. Infrastructures need to be based on modal centres for correct distribution, both national and international, and local and urban.

It is very important to emphasise that almost all journeys are multimodal, with regards to both passengers and freight so the policy needs to ensure the right infrastructure basis in particular in terms of inter-modal terminals, rail, sea, dry ports...ultimately, efficient inland connections and the development of logistics nodes.

Bottlenecks have to be removed. Creation of dry ports would be one right solution to solve the excessive traffic concentration in specific points.

Freight is not homogenous

There is a tendency to assume that freight is homogenous. This is not the case and we would urge the European Commission to take into account the different needs of container and bulk freight movements as it develops its proposals for the future of the TEN-T network.

QUESTION 6: How can ITS, as part of the TEN-T, enhance the functioning, of the transport system? How can investment in Galileo and EGNOS be translated into efficiency gains and optimum balancing of transport demand? How can ITS contribute to the development of a multimodal TEN-T? How can existing opportunities within the framework for TEN-T funding be strengthened in order to best support the implementation of the ERTMS European deployment plan during the next period of the financial perspectives?

RESPONSE:

This is a complex issue, but one that must be considered and developed, to allow maximum return to be achieved from existing physical infrastructure. The rate of increase in travel demand, both for freight and passenger, would suggest that development of new physical infrastructure alone cannot meet this long term demand. Technology in all its guises must be developed and harnessed in a manner to allow existing networks to deliver greater efficiency. Initiatives such as Galileo have the potential to radically change the way infrastructure space is managed, by providing accurate, reliable global positioning information. This has already been identified as potentially providing significant advancing in air traffic control, and of freight container tracking.

Where deployed ITS systems have already proven their ability to allow more to be delivered from the existing transport network.

QUESTION 7: Do shifting borderlines between infrastructure and vehicles or between infrastructure provision and the way it is used call for the concept of an (infrastructure) project of common interest to be widened? If so, how should this concept be defined?

Please justify your choice, and describe how such a widened concept should be defined.

RESPONSE: YES – the current concept of the infrastructure project of common interest should be widened

JUSTIFICATION:

There is already debate regarding the funding of the vehicle within current Commission programmes. Defining the boundary between transport infrastructure and vehicles will continue to be difficult. For example, when comparing maritime transport to road transport, particularly in the case of Ro-Ro ferries, is the ship a vehicle or is it akin to the road infrastructure? After all, they both provide a “corridor” to transport the lorry.

There is ample evidence that a funding of infrastructure and vehicles together under a coherent programme is needed - as it is the case with TEN-T funding for ERTMS equipment on the track and in the locomotives. However, the borders between infrastructure and vehicles should not be blurred, as this border is crucial e.g. for the separation of the state-owned railway giants all over Europe.

However, ultimately, whether a particular aspect is considered to be a vehicle or infrastructure is irrelevant, so long as the TEN-T instrument recognises their importance and provides a tool to allow pan-European development. Infrastructure must adapt. Implementation studies should be encouraged. Widening is not the only priority: it must be decided if vehicles will be financed or not.

QUESTION 8: Would a core network (bringing together a priority network approach and a conceptual pillar) be "feasible" at Community level, and what would be its advantages and disadvantages? What methods should be applied for its conception? What basis could be used for its conception? Which are the three aspects that need to be given highest priority in the core network development method?

RESPONSE: YES – a core network approach would be feasible.

JUSTIFICATION:

A core network is feasible, but it may lead to a diminution of constraints and commitments for Member States, if governance procedures are not appropriately defined. This is one of the challenges of the new guidelines to be elaborated: how to combine more flexibility with strong commitments for all public actors concerned? The flexibility offered by the Conceptual Pillar has to be balanced against the need to provide clarity and long term commitment. The creation of a dual layer core network must not lead to any dilution of resources or commitment from the public actors involved. Here again, the earmarking system invented by DG Regio in order to concentrate structural funds on Lisbon priorities has proved to be efficient. Why not think of similar instruments in order to concentrate the TEN-T

... on Göteborg priorities.

MAIN ADVANTAGES:

- Strengthening the European planning approach;
- Combining the "traditional" infrastructure approach (essentially priority network) and a more flexible "conceptual" approach;
- Integrating transport infrastructure and transport policy developments in the best possible way;
- Establishing a strong basis for concentration of Community support (financial and non-financial).

POSSIBLE DISADVANTAGES:

- Difficulties regarding an appropriate planning method;
- Too much flexibility.

WHAT BASIS COULD BE USED FOR ITS CONCEPTION?

- Available research;

- New research;
- Expert groups;
- Involvement of key stakeholders, including regional authorities.

WHICH ARE THE ASPECTS THAT NEED TO BE GIVEN HIGHEST PRIORITY IN THE CORE NETWORK DEVELOPMENT METHOD?

- Climate change and other environmental objectives;
- Financing capacities;
- Technological challenges and opportunities of the future (transport and energy, infrastructure and vehicle);
- Economic sustainability.

QUESTION 9.01: How can the financial needs of TEN-T as a whole - in the short, medium and long term - be established?

RESPONSE:

This kind of financial approach, starting from the needs, seems to be too “theoretical”. The first step is to identify the desirable network, which will give guidelines for spending European funding on transport for the next EU programming periods, from 2014 onwards. We would favour initially establishing a network that fulfils the genuine needs of the EU. It can then be prioritised and amended subject to the political commitment, and funding levels, afforded to the instrument.

QUESTION 9.02: What form of financing – public or private, Community or national – best suits what aspects of TEN-T development?

RESPONSE:

The question is not only: where should the different EU funds operate, but also with which level of intensity. The EU toolbox for financing transport services and infrastructures will need to be transparent and sophisticated, in order to take into account with equity all kinds of situations: accessibility, sustainability, wealth... To fulfil this objective, transparent criteria must be elaborated, and the Regions have to be associated with this.

The decision making process to determine EU and national funding must be as transparent as possible and demonstrate that all costs and benefits have been taken into consideration in the process, and that European Added Value is always present and measurable.

QUESTION 10.01: What assistance can be given to Member States to help them fund and deliver projects under their responsibility?

RESPONSE:

The CPMR would encourage the Commission to create a “one window” approach to TEN-T funding applications. Currently, projects have to apply to a variety of different financial instruments, all administered by different people, and sometimes different DGs. Through the creation of an internal mechanism the Commission could create a single application “window” allowing one bid to be made. That single bid could then be assessed by the various DGs and the applicability, and intervention rates, agreed. This would reduce the complexity of application to the various financial instruments, and provide project promoters with more certainty at an earlier stage. The Commission must promote better coordination among Member States, but above all, the Commission needs the European Union to define a position that gives greater stimulus to the financing of infrastructure networks.

QUESTION 10.02: Should private sector involvement in infrastructure delivery be further encouraged? If so, how?

RESPONSE:

The issue of public-private partnership must be studied from a territorial cohesion perspective. Under no circumstances should the European Union support approaches which would favour the most developed European Regions and the operators situated in these

MEDGOVERNANCE/TRANSPORT

Regions. Needless to say it will be easier to increase private funding in these Regions than in less developed Regions.

QUESTION 11.02: Is there a need for new financial instruments (including "innovative" instruments)?

RESPONSE: YES

JUSTIFICATION:

New taxation instruments need to be envisaged, in order to make the polluting modes contribute to financing "virtuous ones". This is a very wide field for thought and discussion, where strong and argued We would favour initially establishing a network that fulfils the genuine needs of the EU. It can then be prioritised and amended subject to the political commitment, and funding levels, afforded to the instrument.