Assessment of TEN-T Programme Implementation

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Executive Summary

Following Regulation 680/2007, otherwise known as the TEN-T Regulation, the TEN-T Programme is to be submitted to regular evaluation (article 16). A first mid-term report relating to the financial perspective 2007-2013 is due at the end of 2010 (article 19). This forms the legal and policy background for the present assessment, the overall objective of which has been to evaluate the methods and procedures for granting financial aid to projects of common interest in the field of the trans-European transport networks and to formulate overall conclusions and recommendations on the further implementation of the TEN-T Programme.

The TEN-T Programme functions by granting Community financial aid to projects of common interest. These are mainly to be found on the 30 Priority Projects, originally defined in 1996 and extended in 2004. These projects are expected to enhance the cohesion, inter-connection and interoperability of the trans-European transport network as well as access to that network. The network's completion will contribute to improved competitiveness and sustainability. Accordingly, the TEN-T Programme has concentrated financial aid on the environmentally-friendly transport modes: by 2009, the rail sector had received €4.4 billion in funding, representing more than half of the overall budget so far; a further €640 million was committed to inland waterways. By the end of 2009, 80% of the TEN-T budget had gone into a total of 138 actions along the Priority Projects, collectively absorbing €5.7 billion. In addition, the TEN-T Programme supports studies and smaller-scale works that are contributing to the overall's network cohesion and long-term development or which advance regulatory alignment and harmonization.

The decision in 2006 to entrust the management of the TEN-T Programme to the newly created TEN-T Executive Agency has already proven its worth in delivering a full lifecycle grant management process from Calls for Proposals through the adoption of the decision, rigorous project management and a tightly managed payments procedure. The structured, transparent and comprehensive procedures adopted by the Agency have facilitated the targeting of TEN-T funding to EU transport policy priorities such as the Priority Projects, traffic management systems, environmentally-friendly initiatives and modes as well as cross border projects. This was acknowledged by the Court of Auditors in a recent report on the effectiveness of EU railway investment policy.[1] The present report documents the achievements of the TEN-T Programme in the fields of project evaluation and selection, with respect to project monitoring, as well as overall programme design and management.

The overall success of the TEN-T Programme in the period 2007-2010 is very important and must be credited. At the same time, the lessons learned during the last four years deserve highlighting so that the TEN-T Programme can be further enhanced—still during this financial

[1] Special Report N° 8/2010 'Improving transport performance on Trans-European rail axis : Have EU rail infrastructure investments been effective?', Luxembourg, European Court of Auditors

perspective, to the extent possible, and certainly as of 2014 onwards when the new financial perspective is launched. The assessment has identified a number of adjustments at different levels with respect to programme management as well as the implementation of TEN-T policy. Most are procedural in nature; some are legal, institutional or strategic. The specific recommendations building on these are presented in the final chapter of this report.

The overall conclusion of the assessment is that there is still room for improvement towards the better customization of procedures, on the one hand, and effective policy implementation, on the other. A strategic reflection on the orientation of TEN-T policy and, at the same time, the structure of the TEN-T Programme, in conjunction with small-scale adjustments at the level of operational management promise a further significant enhancement in terms of both efficiency and effectiveness.

Insofar as procedural small-scale adjustments are concerned, the main issue here is to better tailor the evaluation and project monitoring procedures to the different types of projects while not losing the overall comparative reference frame. This includes improving the external evaluators' databases, introducing a two-stage proposal procedure for major projects, getting an overview of appraisal methods in use in different Member States towards the harmonization of basic requirements, and expanding specific reporting requests for beneficiaries.

At the more strategic level it will be important to reflect more thoroughly—possibly also by carrying out a regulatory impact assessment—on the future design and structure of the TEN-T Programme and also the course of TEN-T policy. The two issues are furthermore inter-related, thus should also be considered in conjunction.

The present TEN-T Programme structure distinguishing between an annual and a multi-annual programme has been useful for the advancement of the 30 Priority Projects—especially, in terms of (rail) infrastructure investment—and the parallel support of policy priorities concerning, inter alia, regulation, technical standardization and financial engineering. The main weakness of this structure is that it does not actively promote synergies between policy and infrastructure measures. Admittedly the present structure of the TEN-T Programme mirrors the current orientation of TEN-T policy. In the meantime, however, the calls for re-thinking TEN-T policy and its focus on Priority Projects—even if only in order to take into account transport-systemic, socio-economic and environmental developments since their first conceptualization in 1996—have intensified. So have demands for the better coordination of EU infrastructure policies in the transport sector, hence also, at the institutional level, between DG MOVE, DG REGIO and EIB. In this connection, a strengthening of the role of European Coordinators might be a useful first way forward.

Any changes in either the structure of the TEN-T Programme or the contents of TEN-T policy will have implications with respect to the operational management of the TEN-T Programme. The administrative burdens of any shift in policy or programme structure—and especially as these might affect the TEN-T Executive Agency—need to be carefully assessed prior to the

implementation of reforms and also considered as input into any strategic decisions. Hence, also the importance of a full regulatory impact assessment.

Finally, it is of vital significance to address the issue of the overall financing of the TEN-T Programme. Under the current financial perspective, the TEN-T Programme represents the smallest endowment to the TEN-T network next to the funds made available through the ERDF and the Cohesion Fund in the form of grants, and the loans granted by the EIB. This is surprising considering that the TEN-T Programme is the one which encapsulates the essence of what represents EU added-value, which, after all, is what drives, or should drive, the development of the TEN-T network. That the TEN-T Programme budget is not enough is shown by the low retention rates of proposals (despite the evaluations) and the frequent failure to meet the maximum co-funding rates as foreseen by the TEN-T Regulation. Improving the efficiency and effectiveness of the TEN-T Programme will be strongly facilitated by the increase of its budget during the next financial perspective.

1 Introduction

This is a report on the findings of the mid-term evaluation of the TEN-T Programme for the period 2007-2013 complementing the *Mid-Term Review of the 2007-2013 TEN-T Multi-Annual Work Programme Project Portfolio* (thereafter MAP Review) carried out by the TEN-T Executive Agency (thereafter TEN-T EA or Agency). The assessment builds on the tools and methods developed for the MAP exercise as well as on consultations with internal and external experts concerning modal and project management as well as programme and policy issues.

The objective of the assessment has been to evaluate the methods and procedures for granting financial aid to projects of common interest in the field of the trans-European transport networks and to formulate overall conclusions and recommendations on the further implementation of the TEN-T Programme. This is in accordance with Regulation 680/2007, otherwise known as the TEN-T Regulation. Article 16 of this Regulation establishes the legal basis for undertaking an evaluation. Article 19 foresees that by the end of 2010 the European Commission will submit to the European Parliament and to the Council a general report on the experiences gained with the mechanisms provided for by the TEN-T Regulation.

The report is structured as follows:

The second chapter that follows states the specific objectives of the present exercise and its methodology.

The third chapter outlines the TEN-T Programme thus setting the context for the present assessment. Besides reviewing the legal framework, structure and contents of the TEN-T Programme, chapter three considers the results of past evaluations and how these have been used to determine its structure since the establishment of TEN-T EA. Chapter Three ends with a short description of the MAP Review process and an appraisal of the most recent expert consultations on the future of TEN-T policy organized by DG MOVE.

The results of the assessment are presented in the fourth chapter of this report, which has three sections. The first section looks at the TEN-T Programme structure and the procedures followed for project selection; the second considers the results of the TEN-T Programme operation with respect to the launching, monitoring and completion of projects; and the third turns to programme outputs and considers the extent to which the TEN-T programme as currently implemented is meeting its original objectives thus fulfilling its EU-added value.

In the concluding chapter, the main findings are summarized and a set of recommendations are presented.

2 Objectives and Methods

The mandate of the present assessment is defined by the Terms of Reference (ToR)[2] as follows: (1) Evaluate the methods of carrying out projects as well as the impact of their implementation taking into account the stated objectives of the TEN-T Programme. (2) Formulate overall conclusions and recommendations on the implementation of the TEN-T Programme with a view of providing input to the revision of the TEN-T Programme and policy, both under the responsibility of DG MOVE. The scope of the evaluation is defined by the TEN-T Work Programmes for the years 2007 to 2010.

Methodologically the study was based on the tools of synthesis and meta-evaluation, relying on the results of previous evaluation studies, the desk review of relevant documents and the systematic compilation and analysis of expert opinion.

Desk review of relevant policy and other documents: the desk review covered legislative texts underlying the TEN-T Programme as well as other relevant documents, including previous and recent evaluation studies and various position papers and expert consultation reports. The proposals of recent evaluation studies—and in particular the conclusions on programme and policy issues reached in the framework of the MAP Review—were juxtaposed to the findings from interviews with TEN-T Programme officials and secondary statistical analysis and incorporated in the policy options and recommendations presented in the final chapter. Annex I is a bibliography of all documents used in preparation of this report.

Expert interviews: a total of ten in-depth interviews were carried out with heads of unit and senior project officers at TEN-T EA and DG MOVE. The list of officials interviewed in the framework of this study and the question guide used for this purpose are supplied in Annex II of this report. Protocols were made of each expert interview. The information corresponding to different questions was then anonymized and pooled together prior to analysis. Annex II also includes the discussion guidelines used by the plenary expert sessions during the MAP Review. The minutes of these discussions also formed an important input for this assessment next to the expert interviews.

Secondary statistical analysis: A number of tabulations on the implementation of the TEN-T Programme were delivered by the Agency. These report on the application process (number of proposals received, funded), the programme implementation at project level (type of project, project budget and EU contribution, duration, present status, deviations) and by type of programme (multi-annual, annual, EERP). Several graphs are included in the main report; the tabulations corresponding to these and a few others can be found in Annex III.

The assessment results are presented with reference to the themes of structure-results-outputs in accordance with the state-of-the-art of the evaluation literature in the field of

[2] Technical Specifications 'Assessment of TEN-T Programme Implementation—Input to TEN-T Revision', October 20, 2010.

public policy analysis. The focus on *programme structure* allows a close look at the way in which the organization of the TEN-T Programme is facilitating or obstructing its efficient and effective operation. '*Programme results'* refers to the immediate or tangible effects in terms of day-to-day operation. 'Results' thus subsumes the efficient implementation of projects according to time and budget constraints and following specific milestones. By contrast, '*outputs*' refers to the effectiveness of the TEN-T Programme in meeting its original high-level objectives. Stated otherwise, whilst 'results' refers to doing things right, 'outputs' refers to doing the right thing.

In public policy evaluation it is always useful to distinguish between results and outputs because the two relate to different sets of activities relating to different performance criteria and different evaluation or assessment methodologies. It is furthermore possible to envisage a programme running very well in terms of its (administrative) operation and still not meeting its original objectives—and vice-versa to imagine a programme that is managed poorly yet is still effective in terms of its outputs. Of course, between these two extreme (and rather atypical) cases there is a grey zone where there is usually a strong association between results and outputs. Ideally and when a policy has been designed in a good way taking into account all types of impacts, governance issues and possible unintended effects, good results will correlate with good outputs, i.e. a well managed policy is also a policy delivering the best outputs in terms of long-term effects. Thus, the purpose of an evaluation exercise like the present one becomes that of identifying the strengths and weaknesses at each level (structure, results and outputs) in order to then propose fine-tunings within and between levels.

3 The TEN-T Programme: Present Status

3.1 The legal framework of the TEN-T Programme

The legal basis and mandate for the development of a trans-European transport network was first established in the Maastricht Treaty of 1992. Building on this, the TEN-T Guidelines instated through Decision No. 1692/96, specify how to develop a trans-European transport network, namely: the latter's scope, the broad lines of Community measures, the definition for cross-border projects and bottlenecks, the Priority Projects, the principles pertaining to projects of common interest, and what specific requirements to follow per transport mode. The TEN-T Guidelines were revised in 2004 through Decision No. 884/2004/EC in order to take into account the enlargement of the European Union to include ten new members in 2004 and two more in 2007.[3] The Guidelines are complemented by a series of maps of the TEN-T network and an annex listing the Priority Projects (PP)—14 back in 1996, 30 since 2004.

The financing of the TEN-T Programme is set out in Regulation No. 680/2007 (also known as TEN-T Regulation).[4] For the current financial perspective the budget earmarked for the TEN-T Programme amounts to 8.013 billion Euros.[5] The TEN-T Regulation specifies the conditions under which the Community financial aid is granted including the different co-funding rates which relate to different actions. In the latter respect, it is worth noting that the TEN-T Regulation sets a maximum of 30% for cross-border projects. It also lays down that the lion's share of the TEN-T budget (i.e. 85%) shall be allocated to the multi-annual programme which primarily deals with works on the TEN-T Priority Projects.

A third set of legal acts relevant for the TEN-T Programme are those which underlie the establishment and operation of the TEN-T Executive Agency. Regulation No 58/2003 lays down the statute for executive agencies to be entrusted with tasks in the management of Community programmes.[6] It was with reference to this Regulation that TEN-T EA was set up in 2006, the specific mandate elaborated in Decision 2007/60/EC (and amended by Decision

[3] Decision No 1692/96/EC of the European Parliament and of the Council of 23 July 1996 on Community guidelines for the development of a trans-European network (OJ L 288), last amended by Decision No 884/2004/EC of 29 April 2004.

[4] Regulation (EC) No 680/2007 of the European Parliament and of the Council of 20 June 2007 laying down general rules for the granting of Community financial aid in the field of the trans-European transport and energy networks (OJ L 162/1-10). This regulation replaced the previous Regulation (EC) No 2236/95 from September 1995 (in force till December 2006).

[5] Also relevant in financial terms and especially with regard to implementation modalities as well as the modalities for accounts and audits are Regulation No 1605/2002 (of 25 June 2002, OJ L 248) which contains definitions of the Community's budgetary principles, the budget's structure and implementation modalities as well as the modalities for the presentation of accounts and audits and Regulation No 2342/2002 (of 23 December 2002 OJ L 357) with detailed rules.

[6] Council Regulation of 19 December 2002, OJ L 11/1

2008/593/EC) and for a period of nine years from November 2006 to December 2015.[7] The main tasks of the Agency are there specified as follows: (a) provision of assistance to EC during the programming and selection of projects of common interest and their monitoring, (b) coordination with other financial instruments also engaged in the provision of support to projects of common interest in the transport sector, such as EIB, Structural Funds and Cohesion Fund, (c) provision of technical assistance to project promoters regarding financial engineering, and (d) the administration of the budget for the TEN-T Programme.[8]

3.2 TEN-T Programme structure

The TEN-T Programme is implemented through work programmes. There are three main types:

Multi-annual Work Programmes (MAP)

Annual Work Programmes (AP)

European Economic Recovery Plan (EERP)

The *multi-annual programme* (MAP) is the core component of the TEN-T Programme attracting up to 85 % of the total budget. This focuses on actions on the 30 Priority Projects (PP) in addition to horizontal measures such as river information services (RIS), air traffic management systems (ATMS), intelligent transport systems for road traffic (ITS), European Rail Traffic Management System (ERTMS), and the motorways of the sea (MoS). The multi-annual programme is implemented through regular calls. The 2007 calls of the MAP focused on Priority Projects, the subsequent ones of 2008, 2009 and 2010 on horizontal measures. The multi-annual programme funds (construction) works and studies as well as actions that combine the two. Its name is derived from its long-term perspective—typically actions funded under the multi-annual programme are of the duration of five or more years. Accordingly, their budget is also significant, running into the millions and ranging between a few million to over 500 million (see table A4 in Annex). The EU funding contribution is fixed with regard to its maximum ceilings: up to 30% for construction works on cross-border projects, up to 20% for other works on Priority Projects and up to 50% for studies.

The *annual programme* comprises a series of calls with an overall smaller budget focusing on projects of European common interest. These need not be geographically located on the Priority Projects but they can be. The 2007, 2008 and 2009 annual programmes were rather

[7] See Commission Decision of 26 October 2006 establishing the Trans-European Transport Network Executive Agency pursuant to Council Regulation (EC) No 58/2003 (2007/60/EC) (OJ J 32/88), amended by Decision 2008/593/EC of 11 July 2008 (OJ L 190/35).

[8] The Agency's tasks are further specified in annual work programmes. Three work programmes have so far been published: (1) 2008 Work Programme—Commission Decision C(2009)1394 of 6 March 2009 approving the 2008 work programme of the TEN-T EA; (2) 2009 Work Programme—Commission Decision C(2009)7027 of 23 September 2009 approving the 2009 work programme of the TEN-T EA; (3) 2010 Work Programme—Commission Decision C(2010)3277 of 7 June 2010 approving the 2010 work programme of the TEN-T EA

general in thematic scope, targeting projects seeking to develop key links, advance interoperability, promote maritime transport, improve standards of safety and address urgent problems in airports. The 2010 annual programme was more specific and detailed and it earmarked funds for the following priorities: (a) the development of an integrated and environmentally friendly transport system, (b) studies for all modes, works for mature projects in the rail and inland wateways sectors as well as projects aiming to support the Single European Sky policy, and (c) studies to support PPP, including, inter alia, studies to assess institutional capacity, analyses of PPP structures and risk management analyses.

Finally, the *European Economic Recovery Plan* (EERP) with a budget of €500 million in 2009 was instituted following the financial crisis of 2008 to provide extra aid to projects of European common interest and/or Priority Projects under the condition they could demonstrate capacity to realize the infrastructure investments in the short-term.

Table 1 displays the components of the TEN-T Programme in the period 2007-2010 and their budget lines. The biggest share of the budget is absorbed by the MAP and was committed already during the first call of the TEN-T Programme back in 2007.

Table 1. Distribution of TEN-T budget by calls 2007-2010 (MAP vs. ANNUAL)

Year	Mode	Budget in million
2007	Priority Projects (MAP)	5,100
	Air Traffic Mgmt (MAP)	350
	ITS for Roads (MAP)	100
	ERTMS (MAP)	260
2008	Motorways of the Sea (MoS) (MAP)	20
	River Information Services (MAP)	15
	ATM / Functional Air Space (MAP)	10
	Annual Programme (ANNUAL)	140
2009*	Motorways of the Sea (MAP)	30
	ITS for roads (MAP)	100
	ERTMS (MAP)	240
	Annual Programme (ANNUAL)	80
2010*	ATM / Functional Air Space (MAP)	20
	River Information Services (MAP)	10
	Motorways of the Sea (MAP)	85
	Annual Programme (ANNUAL)	60

**Excluding contributions to the EIB for LGTT and Marguerite Fund and the EERP plan*.

The TEN-T Programme funds are allocated mainly through grants for either works or studies. Two other forms of funding are guarantees for loans and risk capital participation. The guarantee instrument is administered through the European Investment Bank (EIB) using funds of the TEN-T Programme through the so-called 'Loan Guarantee Instrument for TEN-T' (or LGTT).[9] The risk-capital participation has been effected through the Marguerite Fund.[10] 500

[9] The LGTT is a loan guarantee product specifically designed and administered by the EIB for TEN-T projects. It mitigates the risk in the early stage of a project when user-generated revenues experience significant fluctuations that can hamper access to competitively-priced private funding.

million Euros has been earmarked for the LGTT during the 2007-2013 period and 80 million Euros has been contributed to the Marguerite Fund.

3.3 TEN-T Programme implementation

The management of the TEN-T Programme for the present financial perspective has been entrusted to the TEN-T Executive Agency. The latter was established following the recommendation of the Court of Auditors in their 'Special Report No.6/2005 on the trans-European network for transport (TEN-T)'.[11] The Court of Auditors identified a number of issues with the previous TEN-T Programme operation[12] and that of TEN-T infrastructure policy.[13] In order to address these, and especially those relating to the TEN-T Programme's operation, including the processing and evaluation of proposals and the technical monitoring of actions funded by the programme, it recommended the setting up of an autonomous agency to manage the TEN-T Programme. This then became the TEN-T Executive Agency which was launched in 2006, going into full operation in 2008.

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[10] Commission Decision C(2010)0941 on Community participation in the 2020 European Fund for Energy, Climate Change and Infrastructure (the Marguerite Fund).

[11] Published in 2006 in the *Official Journal*, OJ C 94/1-36. The official mandate of the Court of Auditors was to assess the extent to which the Commission's management system in the years 2000 to 2006, including the design and implementation of the legal framework, administrative procedures and internal control system had led to an efficient and effective implementation of the TEN-T. A total of 72 TEN-T actions were sampled for 'compliance testing'.

[12] In terms of programme operation, the Court of Auditors criticized the following aspects of the programme implementation: the little use made of guarantees for loans and the risk capital facility for supporting TEN-T actions; the unclear definition of works and studies in the work programme; the absence of reporting requirements for the beneficiaries in conjunction with the lack of an IT system to facilitate reporting; the lack of standard application and evaluation procedures, including with regard to the use of external experts; and the differential qualifications levels of staff assigned the task of monitoring actions funded by the programme. In a recent follow-up report focusing on EU railway investment (Special Report No. 8/2010, *Improving Transport Performance on trans-European Rail Axes: Have EU Rail Infrastructure Investments been Effective?*, Luxembourg, ECA), the Court of Auditors acknowledges that the establishment of TEN-T EA has brought a significant improvement of the TEN-T project selection procedures, but notes that further enhancement is still possible.

[13] In terms of policy, the Court of Auditors criticized two main issues: first, the lack of political commitment to transport infrastructure projects of European added-value and second, the allocation of TEN-T programme funds according to the 'fair share' principle rather than on meritocratic grounds at the action level. These issues were confirmed by an ex-ante evaluation of the TEN-T multi-annual programme for 2007-2013 carried out by ECORYS. The ECORYS ex-ante evaluation further assessed four approaches with respect to the prioritization of TEN-T funds and reached the conclusion that the corridor option represented the most effective allocation of TEN-T funds in terms of displaying the greatest benefits in terms of economic, social and environmental impacts. ECORYS further recommended the use of a higher EU co-funding rate for infrastructure projects of common interest (cross-border or bottlenecks) as well as the greater use of public-private-partnerships. See ECORYS (2007), *Ex-Ante Evaluation of the TEN-T Multi Annual Programme 2007-2013* (Framework Contract for Ex-Ante Evaluations and Impact Assessments), Brussels, DG-TREN

3.3.1 Application and evaluation procedures

One of the first priorities of the Agency has been to put into practice qualified application and evaluation procedures for proposals. The application procedures have been gradually perfected during the last years following feedback received from parties involved in call evaluations. This includes forms and guidance documents such as the 'Guide for Applicants'[14] currently in its fourth version.

Eligible for receiving funding for either works or studies[15] are Member States, public or private undertakings and international organizations with the agreement of the Member State(s) directly concerned. Actions receiving funding from the Cohesion Fund and/or European Regional Development Fund (ERDF) are not eligible. Award criteria are relevance, maturity, impact and quality:[16]

- *Relevance* 'refers to the contribution of the action to the TEN-T priorities … as well as to the macro socio-economic benefits at EU level and the need for TEN-T support'.[17]
- *Maturity* 'refers to the status of preparation of the activities, in particular the capacity to implement the Action in accordance with the foreseen time plan and technical specifications'.[18] This means that upon the onset of EU funding, the project in question should have received formal approval at all levels, i.e. enjoy political commitment, have completed all necessary public consultations, is ready to start from a technical point of view, has received all building permits, can show that its various procurement procedures are well advanced, has all necessary financial resources committed and has identified all possible risks.
- *Impact* is 'the anticipated socio-economic effects of the action at micro level as well as the impact on the environment'.[19] In terms of socio-economic effects, reference is made to CBA analysis showing that the proposed project will mitigate traffic, improve multimodal split, enhance interoperability, contribute to both regional and national development, advance service quality, safety and security, positively impact on land-use and competition and show a positive environmental impact. For studies, the impact is to be assessed in terms of the study's impact as a decision-making tool.

[14] 'Granting of EU Financial Aid in the Field of the Trans-European Transport Network, Call for Proposals 2010, Version 4', Brussels, TEN-T EA 2010, p.9

[15] Definitions of 'studies' and 'works' are provided in articles 2(8) and 2(9) respectively of the TEN-T Regulation. Studies means 'activities needed to prepare project implementation, including preparatory, feasibility, evaluation and validation studies, and any other technical support measure, including prior action to define and develop a project fully and decide on its financing such as reconnaissance of the sites concerned and the preparation of the financial package' (L162/4). Works means 'the purchase, supply and deployment of components, systems and services, the carrying out of construction and installation works relating to a project, the acceptance of installations and the launching of a project' (L162/4)

[16] The Guide for Applicants includes an extensive glossary with explanations for each step / term used in the guide and applying to the proposals.

[17] Ibid. p.19

[18] Ibid. p.20

[19] Ibid. p.20

- *Quality* refers to 'its completeness and clarity, in terms of the description of the planned activities, the soundness of the project management process and the coherence between its objectives and planned resources/ activities'.[20] This includes a good budget, organizational structure and project management plan, a sound risk management plan, arrangements for monitoring, audits and evaluations as well as plans for dissemination and publicity.

Works or studies eligible for funding are submitted to external evaluation. The evaluation is organized by the Agency and supported by external experts. Each project is evaluated by at least three external evaluators. The latter are drawn from an official Commission database.[21] The appraisal form used by experts includes questions on project assessment, technical and financial consistency, risk management, conclusions at the action/activity level and general conclusions for the programme level.

Each proposal is assigned a mark for each award criterion, whereby no weights are applied and no distinction in terms of thresholds is made between works and studies or between actions proposed under the annual and those under the multi-annual programme. Based on the results of the evaluation procedure a list of projects above the threshold is made and passed on to DG MOVE for the selection of those projects to be retained for funding.

3.3.2 Monitoring the implementation

Since its creation, the Agency has harnessed its working methods towards the optimisation of project monitoring and implementation mechanisms. This has included the careful preparation of high quality Commission Decision texts[22] with detailed technical descriptions and accurate implementation timetables, in order to facilitate the monitoring of the actions. Besides specifying the type of action, the co-financing rate and maximum EU contribution in absolute terms, the Decision specifies that actions will submit action status reports (ASR) and be monitored regulatory on the basis of their strategic action plans (SAP). The latter are submitted at the beginning of the grant implementation.

- The SAP must be submitted by the beneficiary within 90 calendar days following the notification of the financing Decision. It provides information on interim and final targets, control procedures and processes, risk analysis and risk management plans, milestones, possible sources of future problems, time schedule (and a critical path), key performance rates, action management standards, information about the global project, planned communication and publicity and the designation of authorized representatives.
- ASRs are regular annual progress reports and constitute a legal obligation for all TEN-T funded actions. They always cover a calendar year and are due by 31 March of the year

[20] Ibid. p.22
[21] This is the Experts Management Module (EMM), see https://cordis.europa.eu/emmfp7/index.cfm
[22] Actions supported by the TEN-T Programme are all implemented through Commission Decisions.

after the reporting period. They supply information on the technical progress of the action, financial information about past expenditures, revised cost estimates, if relevant, as well as details on any public procurement procedures, environmental issues, and the receipt/use of any other EU funds.

The effective monitoring of actions has been achieved by improving the communication mechanisms between the Agency and the beneficiaries. Regular contacts and systematic exchange of information have been conducive to a successful trust-building strategy. As a direct result, response times applicable to all administrative aspects of project management have been dramatically reduced. Payment procedures have been shortened from an average of 206 days in April 2008 (95% of late payments) to 20 days at the end of June 2010 (only 1% of late payments). These improvements have significantly contributed to the better use of TEN-T funds and ultimately to the maximisation of the TEN-T Programme efficiency.

3.4 Taking stock and looking ahead

In preparation of the next financial perspective of the TEN-T Programme three review and/or consultation exercises were undertaken. These provide an important reference and benchmark for the present assessment; therefore, their main findings are reviewed briefly below.

3.4.1 The MAP Project Portfolio Mid-Term Review

The multi-annual work programme project portfolio was reviewed in spring and a report on the findings was published in October of this year.[23] The MAP Project Portfolio Mid-Term Review (MAP Review) covered the programme's first phase of operation in the years 2007 to 2009 and comprised of 92 projects[24]. Cumulatively the budget of these 92 projects amounted to 32 billion Euros, the cumulative EU contribution was 5.3 billion Euros, representing 16% of the total projects' budgeted costs. The MAP portfolio included 21 cross-border projects jointly absorbing 3.2 billion of the EU contribution.

Of the projects reviewed, 63 were rail projects. Each project was first assessed individually by three experts using the project's SAP and ASRs as available and additional information

[23] See TEN-T EA (2010), *Mid-Term Review of the 2007-2013 TEN-T Multi-Annual Work Programme Project Portfolio*, Brussels, TEN-T EA. The report comprised a main report and three annexes displaying the individual project summary sheets, detailed statistical analyses and the report of the independent observer

[24] In total 95 projects were funded under the MAP 2007-2009 but only 92 were reviewed; Galileo, ITS and SESAR projects were excluded form the MAP project portfolio review exercise.

provided through a questionnaire distributed among beneficiaries.[25] Following the submission of the individual appraisal forms, consensus meetings were organized at the Agency's premises where experts were also provided with information from project officers about their findings from site visits. Following the compilation of a consensus report so-called cluster panels were formed to discuss all projects under one mode, with all experts participating in the evaluation of that particular mode.[26] Finally, a plenary session bringing together all experts was organized to assess the overall consistency of the process and draw general conclusions and recommendations both for the programme and policy levels. The final review report was then prepared by the Agency. It considered the experts' inputs at different levels of aggregation from individual project analysis up to project portfolio recommendations, as well as project statistics.[27] The conclusions and recommendations of the cluster and plenary sessions with experts were taken into account as inputs to the present report and are returned to in the final chapter.

The MAP Review focused on the operational aspects of the programme seeking to identify whether the projects were running according to their original time plan. It was found that about 37% of the projects would finish on time, 20% with a delay of less than 12 months, and 40% with a delay of more than 12 months. However, in the majority of cases, the delays were found to be justified by problems usually encountered in infrastructure policy, such as delays with procurements in accordance with legal provisions or unexpected geological findings requiring a partial technical re-design, therefore, it was proposed to extend the duration of the projects affected till the end of 2015 (the latest).[28] With respect to budget, seven out of 10 reviewed projects were identified as running at or below budget. Only 15 projects were found to be running over budget of more than 15%, of which nine displayed budget over-runs of over 30%. These were mainly projects with long implementation periods or receiving less than 10% in EU funding.

Key success factors were project maturity and good project management, including with respect to the early identification of risks. Projects displaying the largest delays or facing cancellation were projects which were selected for funding despite not being adequately mature—either in terms of their technical design or their financing plan. It was also found that the award criteria of quality and impact had to be better defined in the future. Insofar as the

[25] Individual assessments focused on the project objectives (and the extent to which these had been met), costs-related aspects, time, funding and management. Assessments were made remotely except for inland and waterway projects.

[26] The cluster panel meetings addressed the following questions: Was progress as planned and if not, what were causes of delay? What were main factors for success? Were there any common issues or patterns emerging for each mode? Were the TEN-T objectives being fulfilled? What conclusions could be drawn for Priority Projects / corridors?

[27] For the compilation of performance indicators at project level, the Agency used a standardized consensus form which sought to assess technical and financial progress for individual project components in percentage terms per year—and cumulatively over time.

[28] It was estimated that doing this would result in only 11 projects remaining uncompleted by the end of 2015. Only four projects of the MAP project portfolio were terminated.

reporting mechanisms were concerned, it was recommended to alter the ASRs so as to regularly report on risk and risk management.

3.4.2 Position Paper of the European Coordinators[29]

The European Transport Coordinators have the mandate to monitor the progress of European Priority Projects (PP). Following a tradition established in France in the 1980s to support the implementation of high-speed rail, Priority Projects are assigned an interlocutor whose mandate is to follow-up the progress of the various project components and liaise with the different national government as well as the European Commission. Currently there are European coordinators for priority corridors nos. 1, 3, 6, 17, 18, 19, 21, 22, 27, 30 and ERTMS. In 2009 the group compiled a position paper on the future of TEN-T policy[30] in which it argued that in order to advance the integration of the Priority Projects, it will be important to: (a) specify a European core network, (b) ensure that transport infrastructure policy is congruent with environmental objectives, (c) adhere to the fulfilment of interoperability and safety standards and (d) increase logistical efficiency through terminals.[31]

3.4.3 TEN-T Policy Review: Report of the Expert Groups

In preparation of the revision of the TEN-T Guidelines and in anticipation of the TEN-T Programme for the new financial perspective beginning in 2014, the Commission organized a broad review of TEN-T policy. This included a Green Paper on the subject published in February 2009,[32] followed by an extensive expert consultation[33] and a second public consultation in May

[29] Position Paper of the European Coordinators (Mr. Karel van Miert, Mr. Etienne Davignon, Mr. Carlo Secchi, Mr. Laurens Jan Brinkhorst, Mr. Peter Balazs, Ms. Karla Peijs, Mr. Luis Valente de Oliveira, Mr. Pavel Telicka, Mr. Karel Vinck) on the Future of TEN-T Policy, Brussels, 6 October 2009

[30] The position paper is complemented by the *Progress Report 2009 on Priority Projects* (DG-TREN) which includes short reports for each priority project. In 2010 a longer more detailed analysis on the same subject was published by DG MOVE and TEN-T EA entitled *Priority Projects 2010: A Detailed Analysis*. These reports on the different actions on each priority project and on the various consultations taking place to promote their completion.

[31] More specific comments were as follows: (1) A major obstacle to the rapid implementation of Priority Projects is that these fare worse in terms of national prioritization. In some countries this has to do with the preference for the road mode. In others it is linked to the narrow scope of cost-benefit analysis (CBA) when, additionally, long-term economic forecasts fail to include estimations about transit transport. (2) In line with the prioritization of road links in several countries, and especially in the EU-12, environmental concerns receive little attention representing nominally an 'afterthought'. (3) The development of the rail mode is still proceeding at low pace. This has a lot to do with the lack of interoperability across Europe. In turn, this can be partly explained by the failure to enforce technical standards. (4) Not enough attention has been paid to the potential of public-private-partnerships (PPP) for rail projects and for ports. (5) The EU contribution to Priority Projects needs to be increased, also in order to improve the leverage of the European dimension or European added-value in transport infrastructure planning at national level.

[32] *Green Paper TEN-T: A Policy Review: Towards a Better Integrated Trans-European Transport Network at the Service of the Common Transport Policy*, COM(2009) 44 final, February 2009

[33] *TEN-T Policy Review: Report of the Expert Groups*, Brussels, DG MOVE, June 2010.

2010.[34] The key recommendation of the experts[35] was re-thinking TEN-T policy in terms of a European core and comprehensive network. The 30 Priority Projects should form a key part of the core network, but in the future prioritization should consider projects in combination and/or projects in combination with horizontal regulatory and financial measures. The experts also spoke in favour of reviewing legal provisions to strengthen the decision power of the Commission and TEN-T EA to allow them to more flexibly react to systemic developments. In similar vein, it was recommended to use the legal texts to state the responsibilities of Member States with respect to the promotion of the TEN-T policy more explicitly.

[34] Commission Working Document, *Consultation on the Future Trans-European Transport Network Policy*, COM(2010) 212 final, May 2010

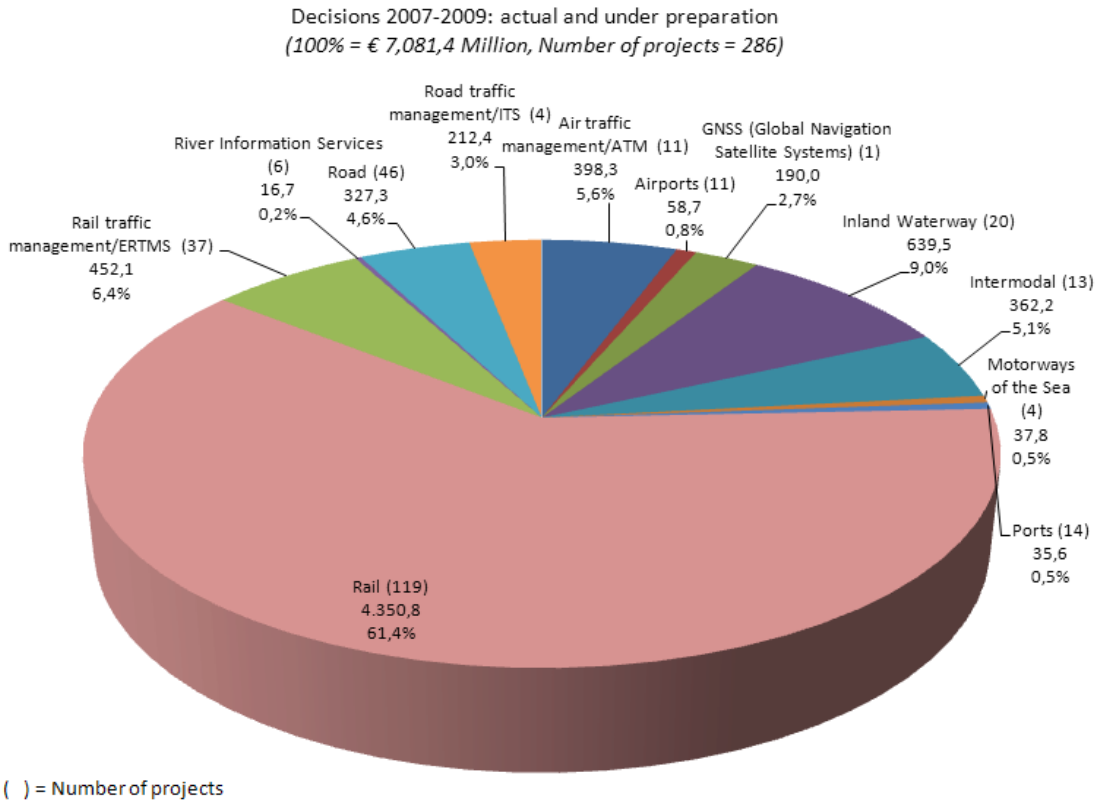
[35] Six expert groups were set up on the following topics: Methodological issues; Integration of transport and TEN-T policy; ITS and new technologies; Connection with third countries; Financing issues; Legal issues.

4 The TEN-T Programme Performance: Main Findings

The decision to centralise the management of the TEN-T Programme through the creation of the TEN-T Executive Agency has already proven its worth in delivering a full lifecycle grant management process from Calls for Proposals through the adoption of the decision and a tightly managed payments procedure.

The structured, transparent and comprehensive evaluation procedure managed by the Agency through the Calls for Proposals has facilitated the targeting of TEN-T funding to EU transport policy priorities such as the Priority Projects, traffic management systems, environmentally-friendly initiatives and modes as well as cross border projects. This was acknowledged by the Court of Auditors in a recent report on the effectiveness of EU railway investment policy.[36] The following chart illustrates the projects awarded funding by the TEN-T Programme in the years 2007-2009 by mode.

Graph 1: TENT-T funding awarded 2007-2009 by transport mode



The TEN-T Programme has concentrated on environmentally-friendly modes and in particular on the rail sector with €4.4 billion in funding, representing more than half of the overall budget, and a strong commitment to inland waterways with €640 million in funding halfway

[36] See ECA (2010), Special Report No. 8/2010, supra notes and 12.

through the implementation of the TEN-T Programme. In terms of Priority Projects, 80% of the TEN-T budget has gone into a total of 138 actions along the Priority Projects, collectively absorbing €5.7 billion.[37]

The overall success of the TEN-T Programme is something to be saluted but it does not warrant settling for no further changes. Indeed the last four years also represent a learning process and the lessons learned deserve highlighting so that the programme can be further enhanced—to the extent possible, still during this financial perspective, and certainly as of 2014 onwards when the new perspective is launched. The present chapter focuses on these lessons in reporting on the main findings of the assessment of the TEN-T Programme. The presentation of the findings is organized in three parts: the first part reports on those issues relating to structure; the second on the programme's implementation, and the third on strategic subjects that concern the programme's outputs.

4.1 TEN-T Programme structure and project selection

4.1.1 The main pillars: multi-annual and annual programmes

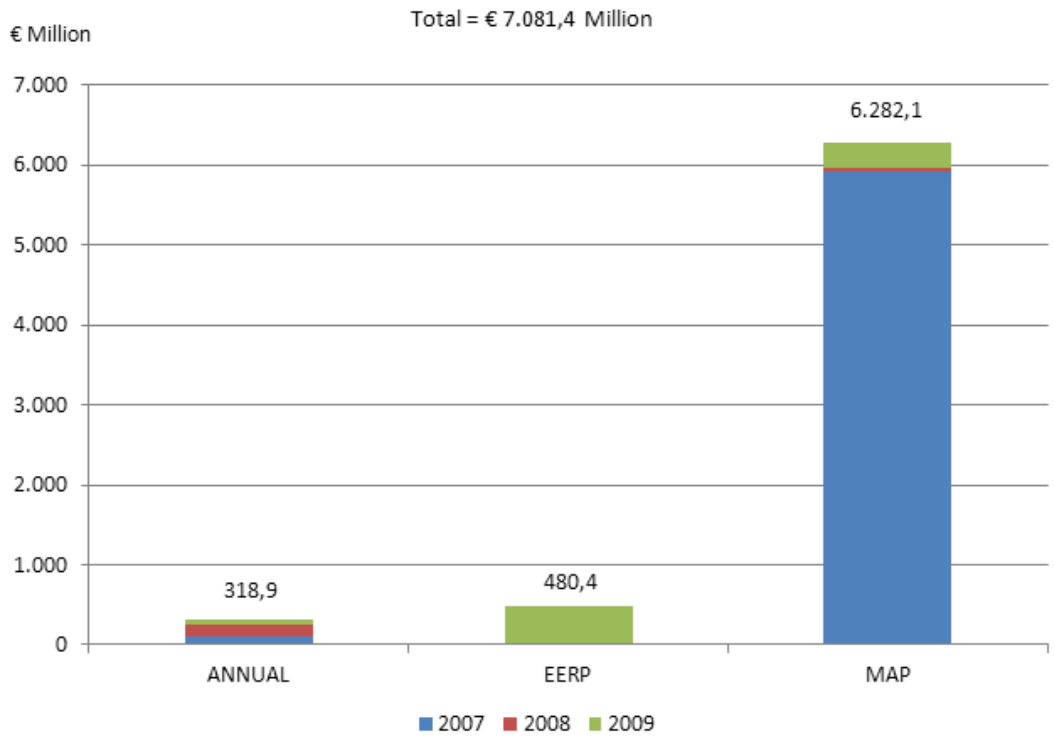
To reiterate briefly what was already explained in section §3.2, the TEN-T Programme is implemented through two programmes, namely, the multi-annual work programme and the annual work programme. The multi-annual programme focuses on Priority Projects, the annual programme on projects of common interest. The EERP was launched in 2010 as an ad-hoc call, targeting advanced works on either Priority Projects or projects of common interest with the objective of stepping up their completion. The EERP programme was launched in response to the financial crisis of 2008. It is financed jointly by the Annual and Multi-Annual work programmes, without prejudice to their respective shares within TEN-T budget (85% MAP versus 15% AP).[38]

Graph 2 illustrates the TEN-T budget committed under the annual, multi-annual (MAP) and European Economic Recovery Plan (EERP) in the period 2007-2009.

[37] These figures as well as those of Graph 1 are based on the budget situation prior to the MAP Review. The latter will lead to the complete or partial cancellation of some projects and, therefore, the recovery of some funds—in total 311 million Euros. These will be allocated to future calls up to the end of 2013.

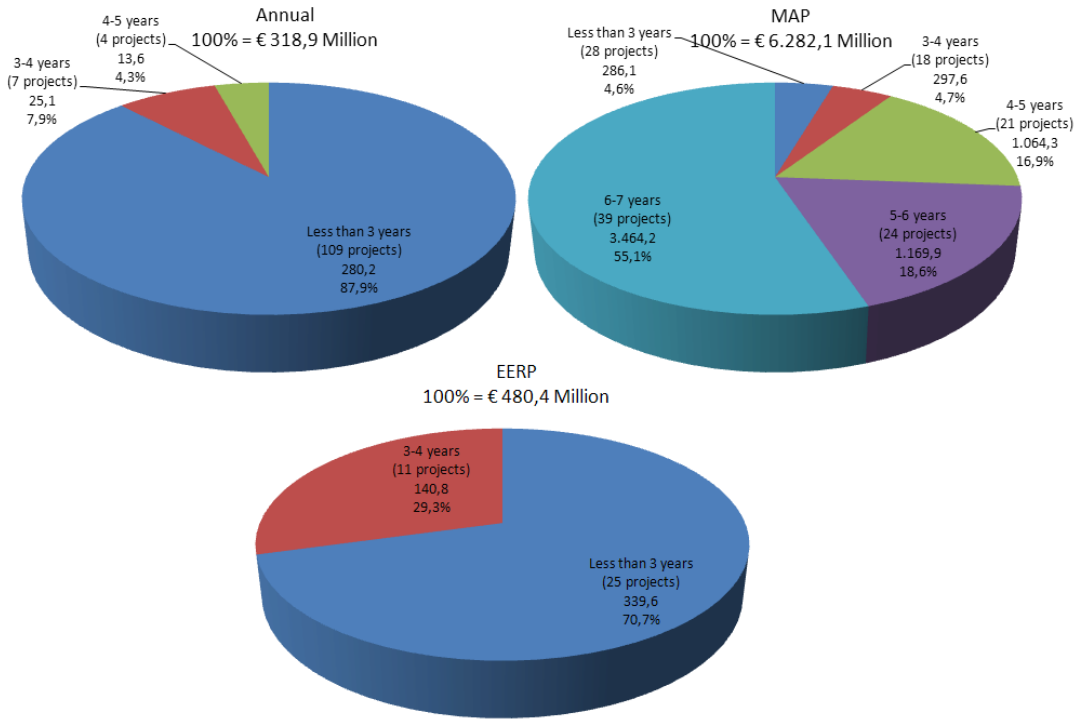
[38] Given the ad-hoc nature of the EERP it has not been deemed appropriate to make an in-depth analysis of its implementation. In what follows some figures are provided on the EERP, where available, but the main focus of the assessment has been the annual and MAP programmes. A thorough review of the EERP is planned in the course of 2011.

Graph 2: TEN-T budget committed (€ Million) in 2007-2009 by call type



As shown by Graph 2 just over 7 billion has already been committed. This represents 88% of the total budget of the TEN-T Programme for the present financial perspective till 2013. Of this, 480 million from both AP and MAP programmes has gone into the financing of the EERP projects. 6.28 billion is distributed over 130 projects selected under the MAP programme. The remaining 319 million is absorbed by the 120 AP programme selected projects (see Graph 3). This gives an indication of the average budget of Priority Projects eligible for funding under the MAP (48 million each) as compared to that of projects of common interest funded under the annual programme (2.7 million each).

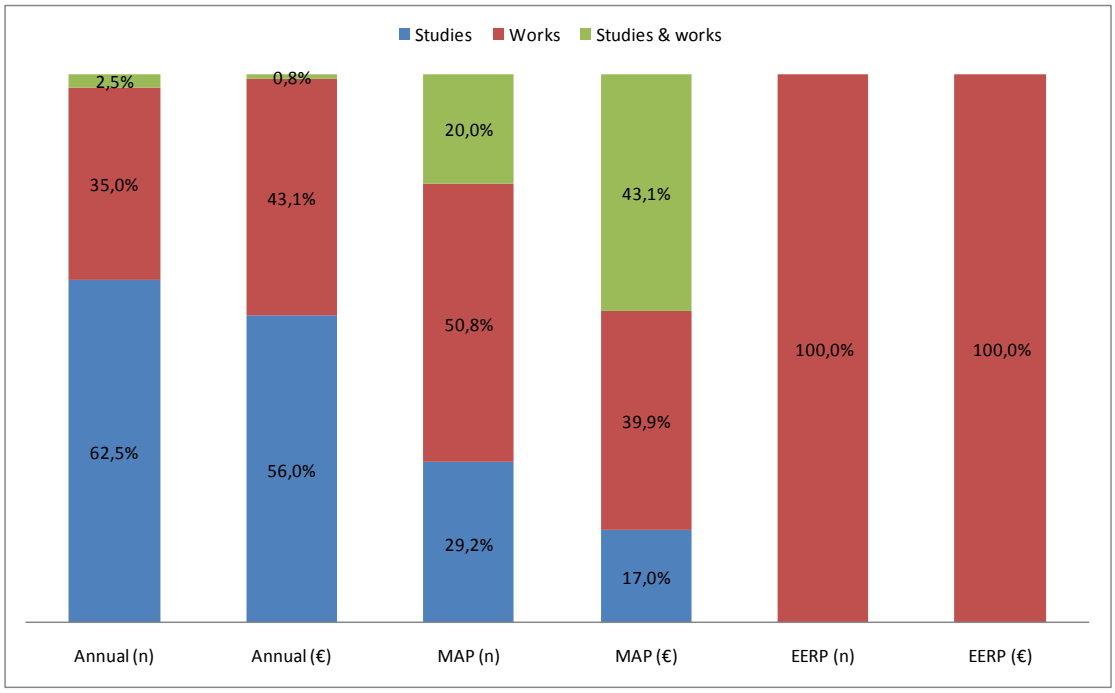
Graph 3: TEN-T funding awarded (€ Million) in 2007-2009 by call type and planned project duration



Under the annual programme the majority of the projects (109 out of 120 or just below 91%) are of the duration of less than three years. This compares to 69 % for the EERP and 21% under the MAP. In fact 48% of all MAP projects display a time-span longer than five years. In turn, this means that whilst the biggest part of the TEN-T annual programme budget (88%) has been spent on short-duration projects, the opposite is the case of the multi-annual programme where 74% of the TEN-T budget has gone into projects of duration longer than five years (see Graph 3).

The difference in duration between the different programmes has partly to do with the differences in the distribution of works and studies within each of them (see Graph 4). Just under 63% of grants under the annual programme are for studies, absorbing cumulatively 56% of the budget allocated to the annual programme. This compares with 29 and 17 % respectively for the MAP programme whereas the EERP was entirely dedicated to works.

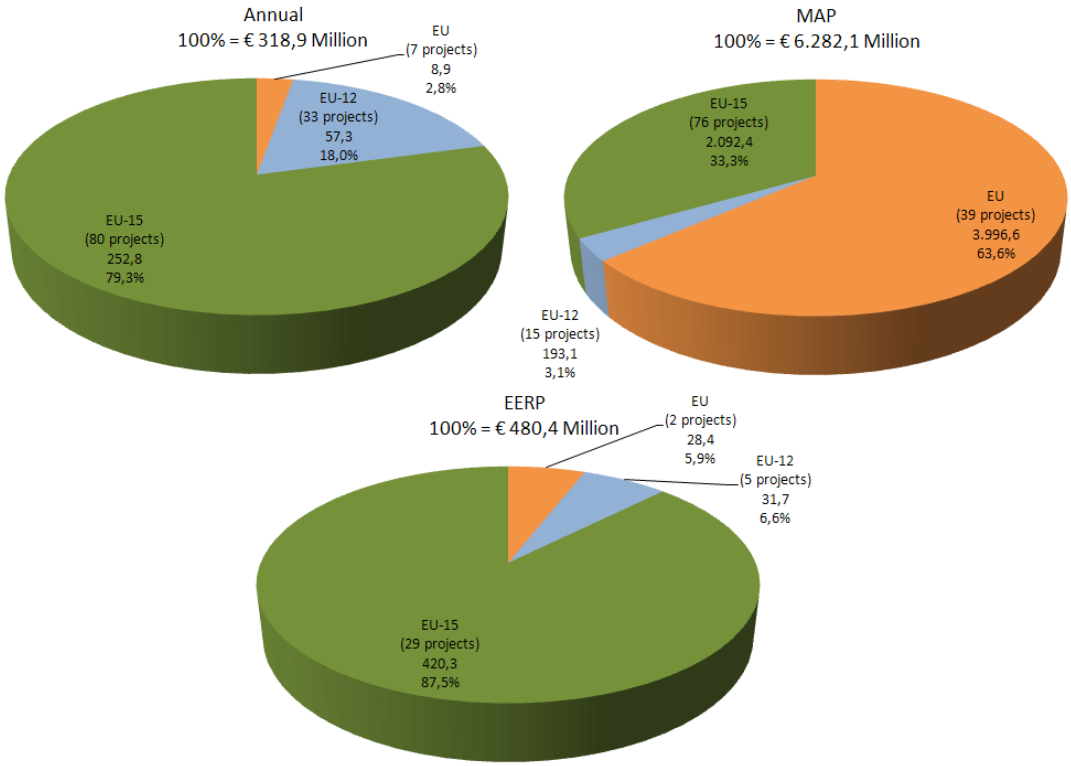
Graph 4: TEN-T funding awarded (in % by number and budget) to works, studies and mixed projects



In their implementation, the different work programmes are also distinguished geographically and by mode. The majority of the projects running under the multi-annual programme and the EERP (76 out of 130 and 29 out of 36 respectively) concern projects in the EU-15 (see Graph 5). Of these, 54% and 45% respectively are railway projects. This is explained by the emphasis of the European transport policy on railways on the one hand,[39] and the greater maturity of railway infrastructure proposals in the EU-15, on the other. Those Member States acceding to the European Union in 2004 and 2007—here referred to as EU-12—are more likely to use the annual programme: of the 120 projects funded by the annual programme till now, 27.5% have gone to the EU-12 as compared to 13.9% in the case of the EERP and 11.5% under the MAP. In terms of TEN-T budget the situation is even more extreme: only 18% of the annual programme budget, 6.6% of the EERP budget and 3.1% of the MAP budget has gone to the EU-12. This underscores that the grants given to the EU-12 are for small preparatory studies and works. For bigger projects the EU-12, which are still eligible for regional development aid, are more likely to use the Cohesion and Regional Development Funds. Grants by the latter display a higher co-financing rate (up to 85%).[40]

[39] See Table A11 (Annex III) on the modes supported by the annual, multi-annual and EERP programmes.
[40] This difference between the EU-15 and EU-12 with respect to the uptake of the TEN-T Programme was identified as a weakness by the plenary sessions organized in the framework of the MAP review.

Graph 5: TEN-T funding awarded (€ Million) in 2007-2009 by call type and beneficiary Member State group

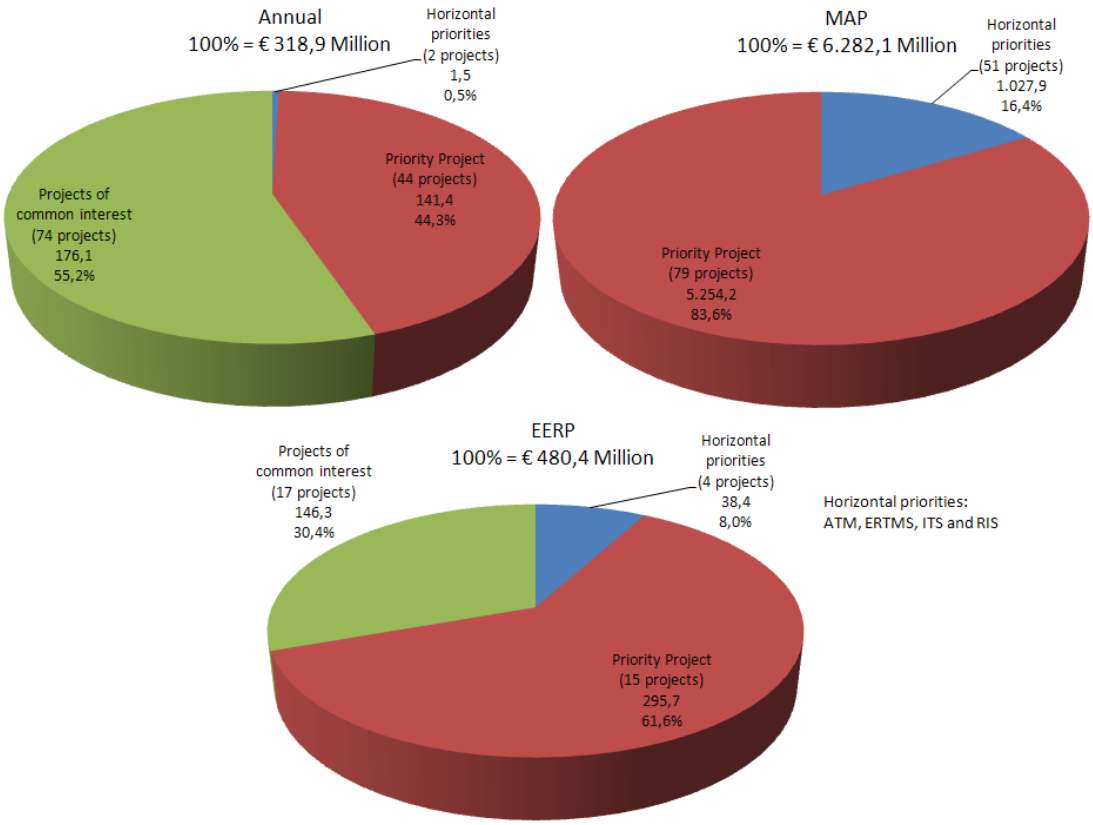


Projects running under the two programmes are evaluated and technically monitored using the same tools (see also next section). In terms of financial management, however, they are submitted to different rules. Projects running under the multi-annual programme are paid through an advance and a series of interim payments, the amounts of which are determined on the basis of the financial performance of the previous year, whereas projects running under the annual programme are paid in fixed tranches. This means that in case a project running under the annual programme is terminated or under-spends, the remaining budget is re-allocated to the Union's general budget, unless a time-consuming and relatively complex procedure is pursued. This makes it likely that this part of the budget is lost from the transport portfolio. On the other hand, budget left-over from the multi-annual programme is re-allocated to the TEN-T Programme. By November 2010 only 16 projects had been cancelled out of a total of 302, representing 5% of the total.

Opinions among interviewed officials were divided as to the fitness of the distinction between the multi-annual and annual programmes. The majority wished to see the two programmes becoming more distinct, for instance by using the annual programme to launch more targeted and policy-oriented calls rather than by allocating its funds to smaller sections of Priority Projects. By the end of 2009, 37% of all projects funded under the annual programme, corresponding to 44% of the cumulative annual budget, concerned Priority Projects. The

corresponding figures for the EERP and MAP are 42 and 61 % in terms of projects and 62 and 84 % in terms of TEN-T budget (Graph 6).[41]

Graph 6: TEN-T funding awarded (€ Million) in 2007-2009 by call type and type of project



A few officials, however, questioned the legitimacy of the distinction and spoke in favour of a stricter earmarking of TEN-T funds for Priority Projects towards greater impact and European-added value. This more downbeat attitude towards the annual programme is partly to be explained by the absence—till now—of tangible results and outputs of the latter. This is likely to change as more projects reach completion and as the stronger thematic focus introduced in 2010 begins to pay off. In any case, the structure of the TEN-T Programme is a vital issue that deserves further reflection—for instance, on the basis, of an evidence-based regulatory impact assessment. This topic is returned to in the final chapter of this analysis.

[41] See also table A6 in Annex III on the number of actions and budget committed for Priority Projects under the annual, multi-annual and EERP work programmes.

4.1.2 TEN-T funding and the issue of scarcity of funds

According to recent estimations, the completion of the TEN-T network will necessitate a total investment of 500 billion between 2007 and 2020, of which 270 billion for the Priority Projects.[42] Under the present financial perspective running till 2013, the TEN-T Programme is contributing 8 billion to the fulfilment of this objective, which corresponds to around 3% of the total estimated costs for the Priority Projects. If the budget of the TEN-T Programme were not to increase during the next financial perspective, the programme's contribution to the Priority Projects would thus at best total 5.9% by 2020.[43]

The TEN-T Programme is, of course, not the only EU financial instrument for supporting investment into transport infrastructure displaying EU-added value. Till 2013, a further 12% is being contributed through the Cohesion Fund and the ERDF while 18% is provided in the form of loans through the EIB. In turn this means that the burden of financing for the TEN-T network still lies with the Member States.[44]

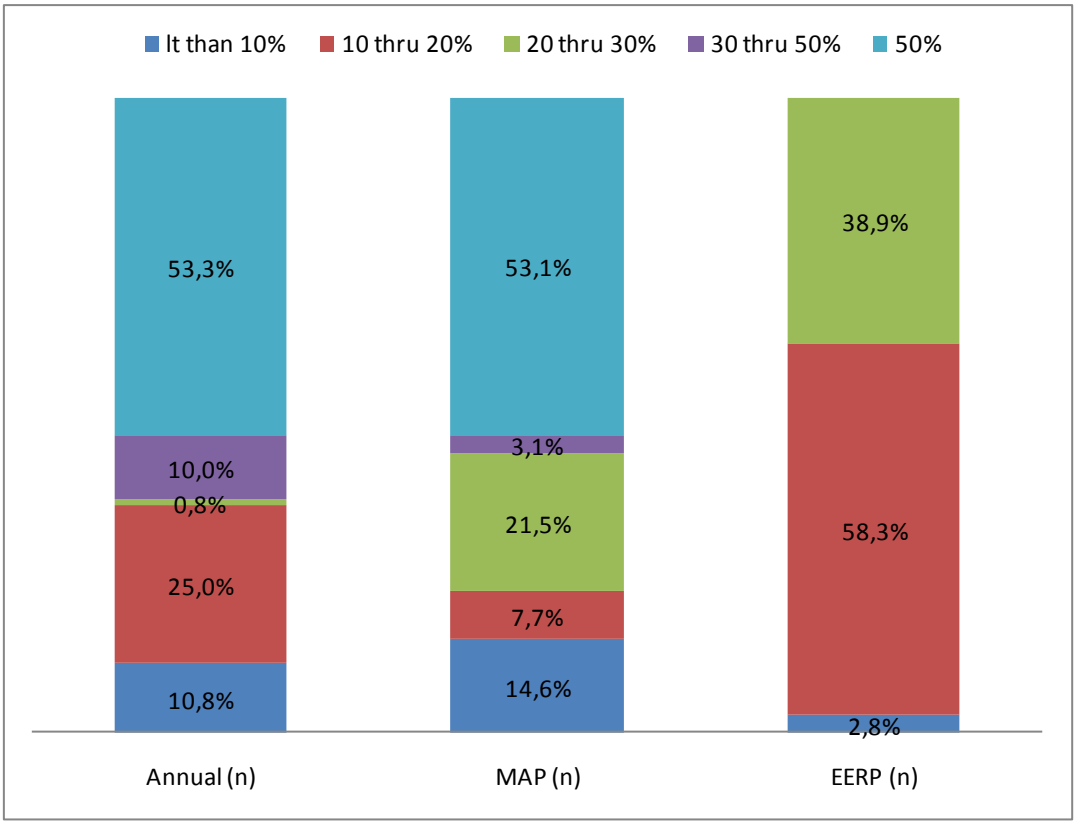
One frequently voiced complaint within the EU institutions but also at Member State level is that the EU contribution to the financing of the TEN-T network, and, in particular, that of the TEN-T Programme, is too modest. This is true globally, but also at the project level where the co-funding rates are theoretically fixed at maximums of 50% for studies, 30% for cross-border projects and 20% for projects of common interest but are often lower in practice. Graph 7 displays the EU co-funding rate under the TEN-T Programme for projects running in the annual, MAP and EERP programmes. The analysis shows that around half of all projects funded by the annual and MAP programmes receive co-funding at a 50% rate as studies, whereby this corresponds to only one fifth of the total budget in the case of the MAP. However, projects which consist of works (entirely or in part), and which also receive higher budgets in absolute terms, are more likely to receive co-funding at below 20% or 30% rates despite representing key sections on Priority Projects or projects of common interest. Furthermore, the share of projects receiving less than 20% funding from the TEN-T programme is quite high: close to 36% in the case of the annual programme, just above 22% in the case of the MAP and 61% in the case of the EERP. The proportion of projects receiving less than 10% co-funding is also comparatively high with 10, 14 and 3 % respectively across the annual, MAP and EERP programmes.

[42] See http://ec.europa.eu/transport/infrastructure/index_en.htm

[43] The precise amount is in fact likely to be a bit lower considering that the TEN-T Programme does not only focus on the Priority Projects but also on projects of common interest located on the extended TEN-T network.

[44] See http://ec.europa.eu/transport/infrastructure/funding/funding_en.htm and Table 1 of ECA (2010), supra note 12.

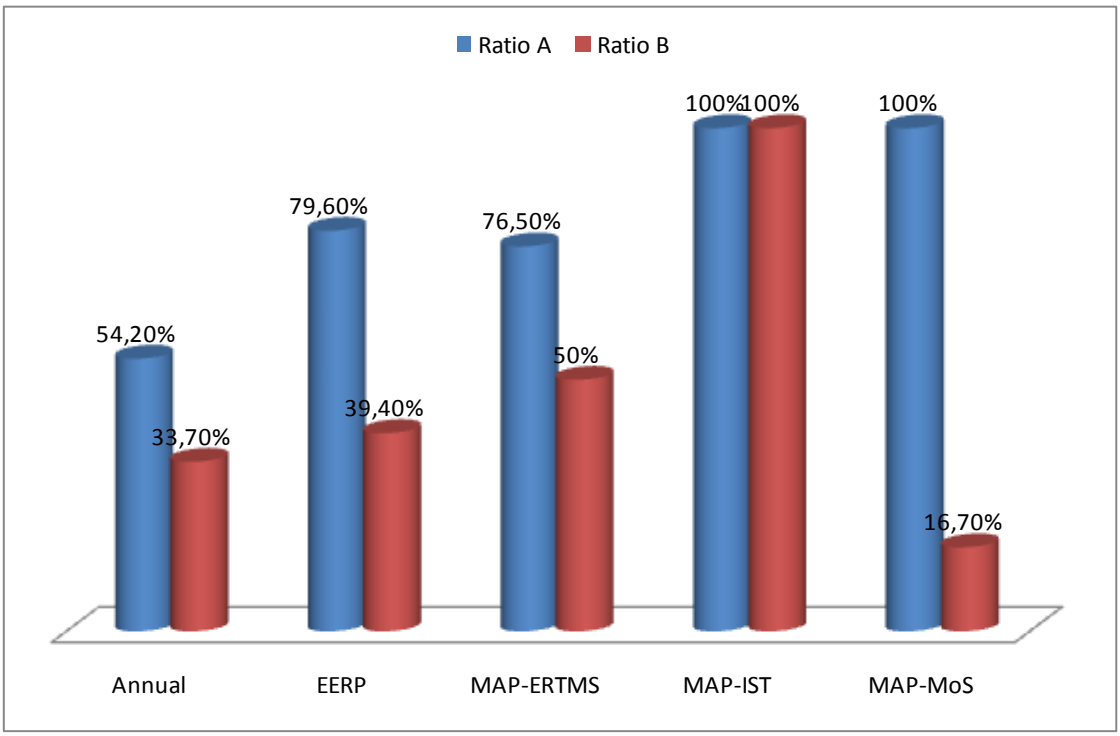
Graph 7: TEN-T funding rates by programme



That the TEN-T Programme budget is suboptimal is also shown by the retention rates of proposals which pass the evaluation thresholds. Graph 8 shows the rates of retention for the 2009 call: ratio A is the ratio of proposals selected among those recommended for funding by the external evaluators; ratio B is the proportion of the proposals retained among those submitted. As can be seen, and with few exceptions,[45] only between one third and half of the proposals submitted to the TEN-T Programme are retained. What is, however, even more problematic is that it is not possible to select all of the proposals recommended for funding by the external evaluators. In the annual programme only every second proposal recommended for funding is retained. The situation in the MAP and EERP programmes is a bit better, but there too one out of four proposals recommended for funding falls through.

[45] This concerns basically the ITS and MoS priorities where there have been very few submissions overall—see also Table A8 in Annex II.

Graph 8: Retention rates 2009 TEN-T Programme



Ratio A: Proposals selected / Proposals recommended for funding
Ratio B: Proposals retained / All proposals submitted

In view of the above, it would appear imperative to increase the budget of the TEN-T Programme in order to increase the retention rates but also for meeting the theoretical maximum co-funding limits of 20 and 30 % in the case of works for sections on cross-border projects or projects of common interest.[46] It might also be advisable to fix minimum funding rates so as to avoid the co-funding of projects at rates below 10% as in these the Agency, and by default the EU, runs the risk of losing all possible leverage with respect to their realization.[47] The question needs also to be raised whether the predominance of studies in both the annual and MAP programmes is not at least in part the indirect result of the restricted overall budget of the TEN-T programme; and whether an increase of the budget would not lead to the

[46] Two caveats that need to be kept in mind with respect to the above analysis are the following: (a) funding at a rate below the maximum co-funding rate might sometimes be justified by the project specifications; (b) mixed projects comprising both studies and works are co-funded on variable rates, i.e. up to 50% for the 'studies' part and up to 20 or 30 % for the 'works' part. Still, if the co-funding maximum rates had been adhered to, there would have been more projects receiving a co-funding of between 30 to 50 %. As is shown by Graph 7, this is however the category least represented in terms of co-funding.

[47] The experts participating at the plenary sessions of the MAP review took a step further and called for the provision of long-term guarantees for the financing of transport infrastructure past any single financial perspective period. The problem, of course, with this proposition is that EU budgets just like national budgets are enacted for short-term periods and subject to regular legislative control for obvious democratic accountability reasons. The provision of long-term guarantees is possible only in the framework of constitutional or constitution-like provisions.

submission and approval of many more projects with a tangible infrastructure component. This is an issue to be considered also in relation to the future structure of the TEN-T programme discussed in the final chapter of this report.

4.1.3 Promoting participation of the private sector to the TEN-T funding

One of the priorities of the annual programme for the year 2010 has been to explore the potential for developing public-private partnerships or PPPs on Priority Projects or projects of common interest on the TEN-T network. 10 million has been earmarked for this purpose. This priority follows renewed attempts by the TEN-T Programme to encourage the involvement of the private sector in the financing of transport infrastructure—considering, as discussed above, that a further 500 billion will be needed to complete the TEN-T network till 2020 and that it is unlikely that this can be fully covered by the EU and Member States.

Project preparation is often cited as a critical success factor in the development of PPPs. It is for this reason that it was decided to allocate 7 million to feasibility, technical or financial studies. A further 3 million is being used to assist the work of the European PPP Expertise Centre (EPEC), which focuses on the sharing of best practice and the development of institutional capacity within the Member States to engage in PPPs. EPEC is a joint venture with the EIB and the Commission, represented by DG MOVE and DG REGIO.

Both these initiatives have been stimulated in part by the low uptake of the loan guarantee instrument for TEN-T projects (LGTT) managed by the EIB under a 50:50 funding arrangement with funds from the TEN-T Programme and the EIB. One reason for this low uptake is the restriction of the instrument to specific risk mitigation in the early operational stage of PPPs with demand-based payment schemes. Another specialised financial instrument focussing on PPPs, namely the grant for construction works in availability payment schemes, has been severely constrained in its effectiveness due to its incompatibility with the Financial Regulations.

According to a concept paper on the subject by TEN-T EA,[48] two equally important constraining factors in the development of PPPs as an integral procurement procedure are first, that the screening for PPPs is solely done at national levels and, second, the over-reliance on bank loans for mobilizing funds, limiting the number of projects that can be structured as PPPs. Against this background, TEN-T EA has advanced the proposal

- to develop a coordination framework for PPP for developing common screening and assessment methodologies as well as facilitating the linking of relevant stakeholders;
- modify the focus of LGTT away from demand-based PPPs, which are basically only applicable to toll-roads, towards a broader portfolio that better covers for risk (through, for instance, the availability payment scheme), and

[48] See TEN-T EA (2010), 'Concept Paper: Promoting Increased Private Sector Participation in Financing TEN-T Projects: A Proposal from the TEN-T Executive Agency'

- explore new financial instruments (such as project bonds) for accessing capital markets.

Due to legal constraints entailed in the programme structure as set out in the present TEN-T Guidelines the above ideas can only begin to be realized upon commencement of the new financial perspective. Preparatory work is, however, needed, including pilot activities for testing the readiness of the private sector to engage in the transport sector under various financial engineering models. This is what lies behind the feasibility studies to be supported under the 2010 annual programme. This idea deserves further elaboration and enhancement during the annual calls in 2011 and 2012.

4.1.4 The organization of calls

Both the multi-annual and annual programmes are implemented through calls. The award criteria are the same and no weights are used, something that was criticized by some officials as inapt considering the different type of grants (works vs. studies) and the difference in scope with regard to size (budget and duration). Similarly, application and evaluation forms do not differentiate between studies and works, or take into consideration sectoral specificities, i.e. ERTMS or MoS.

The allocation of almost 85% of the budget of the multi-annual programme to the first call was not free from side effect even though it followed a clear logic. The logic behind this approach was that eligible projects would be of long-term duration and, therefore, it was important to provide them with a financial security at an early stage in order to thus boost their chances of realization. What was not foreseen—an unintended consequence—was that the commitment of funds at such an early stage would bring about a run for the money irrespective of project maturity. It will be recalled that the MAP Project Portfolio Review identified the relatively low maturity as the single most important cause of project delays and/or budget overruns.

A possible way to avoid this problem in the future is to introduce a two-stage procedure for evaluating, then implementing, big projects under the multi-annual programme. This proposal, that requires further elaboration, was advanced in the MAP Review and enjoys approval among most of the officials interviewed for this study. Under this scheme the first proposal stage would be used to filter out the more relevant and high quality projects promising the highest impact and displaying the highest European-added value. Funding for these projects would, however, only become available upon the fulfilment of a set of maturity criteria to be negotiated individually and presented to the TEN-T Agency within a specific time period.[49] There are different models as to how this could be operationalized and it is beyond the scope of this assessment exercise to determine these in any detail. Suffice to note the following:

- The two-stage proposal procedure need not apply to all types of projects; indeed it is probably counter-productive if it did. It is therefore recommended to apply the two-

[49] In this respect the MAP review (plenary meetings) pointed specifically to the need to ensure that all relevant cooperation agreements are signed prior to launching key cross-border projects.

stage proposal procedure only to those projects which are requesting funding above a certain (absolute) amount and/or relating to specific types (i.e. works for cross-border projects, bottlenecks or projects of common interest).

- Proposers interested in launching such projects would be first required to submit a short proposal outlining the technical design of the project but with detailed description of the project's life cycle in relation to financing, procurement and regulatory requirements. If shortlisted, these projects would then be invited to a second proposal stage and asked to submit a complete description following the SAP format as well as a detailed cost-benefit analysis and a definite list of planning commitments (and related milestones) of other financing sources. The definite decision for funding would then be made during the second evaluation stage.
- A variation of the above model foresees seed funding for those projects selected during the first proposal stage for the completion of the studies (including the ex-ante cost benefit analysis) required for the second stage submission. Yet a third model would instead entail a guarantee for funding at the second stage if and when all requirements negotiated during the first stage are fulfilled.

What potentially might speak against the two-stage proposal approach is that projects of high EU-added value might by default be less mature considering that they are often not adequately prioritized at national level. It is, therefore, important to make an effort to avoid excluding important projects of high EU-added value from the selection procedure even if such projects entail more risks. One way forward in this respect would be to introduce the 'corridor concept' already at the proposal submission stage accompanied by respective agreements. This would accelerate the implementation of relevant Actions in addition to placing their realization within a global perspective, so that technical, political and financial impediments can be more effectively addressed.

4.1.5 Evaluation and project selection

Since shortly before the establishment of the TEN-T Executive Agency, proposals to obtain funding from the TEN-T Programme have been submitted to external evaluation. The new system has been praised for its independence and transparency as well as for its correct implementation including, recently, by the Court of Auditors.[50]

One problem that remains is the only partial aptness of the European Commission's Experts' Management Module[51] for selecting external evaluators. There are two problems in this respect: the first is the coverage of the database which operates on a self-registration basis; a second problem is that the keywords and search functions of the database are not tailored to the needs of the TEN-T Programme. In any case, practically all of the senior project officers at the TEN-T Agency advocate the establishment of an own expert database at the Agency to complement that of the Experts' Management Module, meeting the particular needs of

[50] Special Report No. 8/2010, supra note 11.
[51] See Experts Management Module (EMM): https://cordis.europa.eu/emmfp7/index.cfm

evaluating infrastructure projects. Considering that the EC is currently trying to centralize rather than de-centralize its databases and procedures, it is questionable whether this proposal can materialize.[52] A compromise solution might therefore be to coordinate an enhancement of the Experts' Management Module so that it can meet the needs of TEN-T EA.

Another issue which demands corrective action is that of the potential conflict of interests of many experts working in EU Member States either in public policy or in research and academia. The present definition of conflicts of interests is modelled to that of pre-competitive research and might not be suitable for the type of grants run by the Agency—and especially when these concern works—against the background of competition among Member States for priority project funding.

Finally, the procedures for deciding which projects to retain for funding out of those which pass the evaluation threshold[53] ought to be better explained. More precisely, criteria applied at this stage of selection should be better defined and communicated in the call text. This decision rests with DG MOVE.

4.2 TEN-T Programme implementation and results

4.2.1 Human resources

The TEN-T Executive Agency which is currently entrusted with the task of managing the TEN-T Programme is organized in four units and employs almost 100 staff. The four units are as follows:

- T0—The Director's Office
- T1—Resources
- T2—Road and Rail
- T3—Air and Waterborne Transport, Logistics, Innovation, Co-Modality
- T4—Technical/Financial Engineering, GIS, Monitoring

The technical monitoring of the projects rests with units T2 and T3, evaluation procedures and liaison with DG MOVE with T4, and financial monitoring with T1. The distribution of workload is judged as adequate and allows responsible project managers to keep an in-depth knowledge of their respective projects while developing know-how for the Agency.

The majority of project officers have professional expertise in project management and/or law and/or economics, those with a transport engineering background are in the minority. This was assessed as a potential shortcoming by some senior officers.

[52] This follows recommendations already advanced in 2002 with the *White Paper on Governance in the European Union* (COM(2001) 428) and strengthened since the launch of the EU Better Regulation Initiative (see http://ec.europa.eu/governance/better_regulation/index_en.htm)
[53] See also Graph 8, section §4.1.2.

4.2.2 Project management tools and practices

One of the innovations of the TEN-T Programme under the present financial perspective was the introduction of the strategic action plan (SAP, see also §3.3.2) as a reference document for monitoring progress of the actions funded by the TEN-T Programme. This is done on a yearly basis through the action status report (ASR) and in conjunction with the electronic TENtec tool set up to facilitate the process. The TENtec is not yet fully operational but is meant to eventually support monitoring throughout the entire project life span from submission to evaluation and from implementation to closure.

All officials interviewed agree that the present situation represents a dramatic improvement in comparison to the previous financial perspective. Further improvement is expected as beneficiaries familiarize themselves with the procedures. Nevertheless, improvements are still possible. A list of possible adjustments is as follows:

- ASRs need to include a part dedicated to risks and corresponding mitigation measures. Presently, risk-related information can only be found in the SAP but there is no reporting obligation on the development and management of risks. Based on the experience acquired so far, risks and the likely inadequacy of their mitigation measures can seriously compromise the implementation of projects. It is therefore imperative to improve reporting requirements in this respect. Following the same logic, the section on risk assessment and management in the SAP should be enlarged.
- Introduce the SAP as requirement at the proposal stage or adapt the proposal guidelines to the SAP standard format. This is something about which there exists unanimous preference.
- Enlarge reporting requirements by asking beneficiaries to report progress not only for a specific period but also cumulatively on the whole action and since the commencement of the grant. This helps setting the context of short-term progress and facilitates monitoring over longer periods. It also places the burden of proof of consistency on the beneficiary.
- Introduce milestones, consistency checks and feedback mechanisms in the TENtec tool. The latter has different components which operate at different levels of efficiency. The proposal submission and evaluation modules are already working very well. This is not the case of the monitoring module which also lacks an interface for online interaction with beneficiaries.

In addition to the above management tools, project officers in charge of monitoring the progress of TEN-T projects are expected to carry out site visits (in the case of works) or attend project meetings (in the case of studies). Every project officer is expected to pay visits to a minimum of four out of ten of their projects every year; at the same time no construction project receives final payment without a final inspection of the works. Both of these performance criteria are currently being met. Some project officers organize their missions according to country, i.e. they will visit each Member State under their responsibility once a

year or every second year and use this opportunity for discussing with beneficiaries the progress of all TEN-T actions in that country.

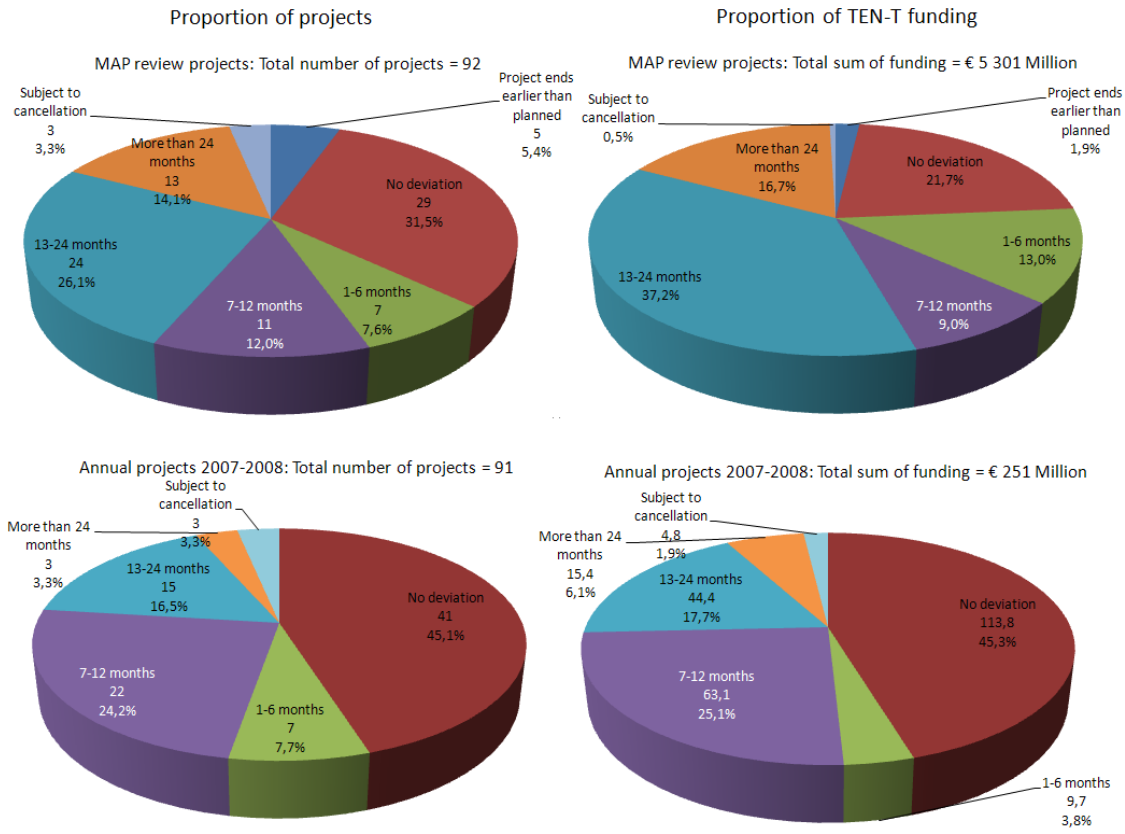
4.2.3 Key performance criteria: delays and budget overruns

The decision to centralize the management of the TEN-T Programme through the establishment of TEN-T EA has facilitated the introduction and better use of professional management tools, such as the SAP, the ASR and the TENtec tool, and these, in turn, have contributed to the smoother operation of the TEN-T Programme as compared to the previous financial perspective.

The payment cycle has been improved tremendously: at the beginning of the present financial perspective the share of late payments—many of which concerning projects from the previous period still ongoing—amounted to 80%; by the third quarter of 2010 there were no late payments pending.

The relative majority of projects in both the annual the multi-annual programmes are running on time and with no significant budget escalations. Graph 9 displays the deviations from the end date for all projects covered by the MAP Review in comparison to the annual programme projects from 2007 and 2008. Graph 10 repeats the exercise for budget overruns.

Graph 9: Overview of delays: end date deviations



The relative majority of projects running under both programmes—45% under the annual programme and 37% under the multi-annual programme—are on time or, indeed, ending earlier than planned.

Delays up to one year are considered customary, especially for major works running over several years. They are often the results of procurement delays or changes in technical design necessitated by the environmental public inquiries or geological findings. The share of projects displaying this type of delay in the MAP is 20%, within the annual programme it is 32 %. Such delays are less likely in projects comprising 'studies' only. By contrast, according to some senior project officers, mixed projects, i.e. projects comprising both studies and works are also prone to complications leading to delays for similar reasons like projects comprising 'works' or because of the time correspondence and dependency between the 'studies' and 'works' components'.[54]

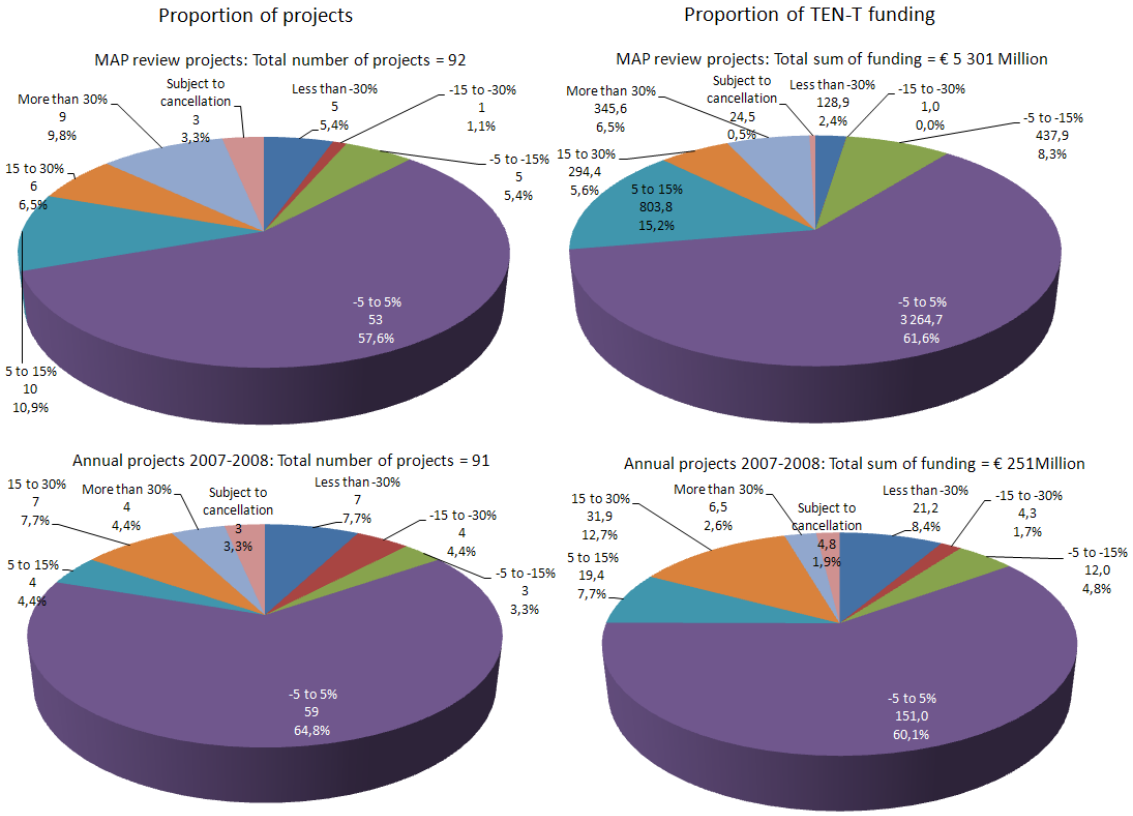
Longer delays are rare in the annual programme—only 16.5% of projects are delays for the duration of 13 to 24 months and only 3.3% for more than 2 years—but more frequent in the

[54] Based on this, the experts participating at the plenary meetings organized in the framework of the MAP Review recommended processing mixed projects through separate Decisions. This is something worth considering also in relation to the introduction of a two-stage procedure for major projects leading to infrastructure works of significant investment (see also § 4.1.4).

multi-annual programme where around 40% of the projects were estimated to display this problem. Only a few of these more significant delays are due to management problems or the lack of project maturity and were used as justification for effecting a project termination.[55]

Insofar as budget over-runs are concerned, these too are the exception and often predictable given that the budget estimations made at the onset of the project and used as basis for the estimation of the EU contribution are not corrected for inflation. Budget overruns are neutral with respect to the EU contribution since the latter is set in absolute and not in relative terms.

Graph 10: Overview of variations in budgeted costs



As exhibited in Graph 10, 12% of MAP projects and 15% of annual programme projects are in fact under-spending. The relative majority in both cases—58% in the MAP and 65% in the annual programme—are operating on budget. The share of projects displaying budget overruns (above 15%) is low at 16% in the MAP programme and 12% in the annual programme. Nevertheless, several project officers expressed concerns about budget overruns

[55] The MAP Project Portfolio Review proposed extending the contract time of most delayed projects and estimated that doing this would result in only 11 projects remaining uncompleted by the end of 2015. It was further recommended to cancel or significantly reduce the scope of four projects which had failed to demonstrate progress during the first years of operation.

because these then result in reduction of the relative effectiveness of the EU contribution—a problem in terms of leverage as well as for publicity purposes.[56]

4.2.4 The role of Member States

A problem that is difficult to resolve alone through the improvement of reporting requirements or management tools is the different administrative and management procedures followed at Member State level. Moreover, different practices in defining national priorities in terms of big infrastructure projects apply. This problem becomes more acute in the case of the management of cross-border projects. The option of installing a separate legal entity for implementing Priority Projects (like an EEIG) was mentioned as a possible solution to this problem.

A related issue is the frequent lack of political commitment by Member States to the European Priority Projects. National projects continue to receive precedence and in federal states like Germany or Austria this is further complicated by the third-level prioritization taking place at regional level. To this should be added that the EU-12 continue to prioritize the development of their road network and this is at odds with the European transport policy which places more emphasis on the development of environmentally-friendly modes. Several officials interviewed were of the opinion that one way to improve the levels of national commitment to the TEN-T policy would be by increasing the rate of co-financing of key projects. This would automatically also increase the Agency's leverage in terms of monitoring and evaluation.[57]

4.3 TEN-T Programme outputs

In this section of the report we turn to look at the programme outputs, namely the success of the TEN-T Programme in meeting its original high-level objectives of effecting transport connectivity within Europe and with neighbouring regions, and in doing so within the framework set by the Common Transport Policy in terms of socio-economic benefits, accessibility and cohesion as well as environmental concerns.

As an executive body, the TEN-T Executive Agency is not directly involved in the formulation and design of TEN-T policy; similarly, as an institutional member of the European Commission, DG MOVE is in charge of policy decision-making, including advancing proposals in consultation with expert committees comprising Member State representatives. The decisions about the TEN-T policy are ultimately taken by the Council of Ministers and the European Parliament

[56] Another reason to pay attention to the escalation of costs even if not affecting the EU contribution in absolute terms is the impact of such escalations on the project's attractiveness for private investors. This point was raised by the Special Report No.8 / 2010 of the Court of Auditors (supra note 11) with reference to railway investments.

[57] This was also an issue brought up by the panel of external evaluators during the MAP Project Portfolio Review. They concluded that the TEN-T Programme tends to piecemeal funds and this is threatening the overall programme's efficiency.

(using the co-decision procedures). The ideas advanced in this section are meant to provide input to this process.

4.3.1 Legal framework

The European Union has correctly been described as a regulatory state[58] by reason of the emphasis it places on regulation (and the legal route)—in turn, the result of its inter-governmental mode of operation. The recent years have, however, seen a resurge of demands to remove the accumulated regulatory overload through the simplification of existing and future legal acts towards a leaner, more efficient and, consequently, less bureaucratic and more effective European level of governance. This is the essence of the 'Better Regulation' Initiative launched by the European Commission in 2005.[59] This raises the question of the extent to which it is necessary or desirable to revisit the existing regulations on the TEN-T since these are due to be revised in the short-term.

A specific recommendation advanced by the legal expert group set up to consider the upcoming revision of the TEN-T guidelines (see §3.4.3) was the combination of the TEN-T guidelines and the TEN-T financial regulation. Most of the officials interviewed for this study do not consider this absolutely necessary but insist instead on two other important elements, namely, the consistency of legal texts and the introduction of flexibility in specific clauses. A good example of the frequent rigidity of European regulations as it applies to transport concerns the set-up of the loan guarantee instrument under the jurisdiction of the EIB for supporting transport infrastructure projects with demand-risk based PPPs (see §4.1.3). The existing regulations link the use of this LGTT instrument to demand-based payment schemes in public-private partnerships, which mostly apply to toll-roads. In the meantime, however, it has become obvious that availability payment schemes provide a better risk-sharing PPP structure than demand-risk based schemes and they can be adapted to modes other than roads, which fits better with overall TEN-T policies. Despite this, it is not possible to use the existing and unused funds for other types of projects as this would require an amendment of the law and this is a lengthy process. This is a good example of the confounding of principal and administrative provisions within single legal acts at European level. Removing the overload of administrative provisions from the TEN-T Guidelines or the TEN-T financial framework would go a long way towards simplifying the respective EU legislations and would facilitate their efficient and effective application.

[58] This term was coined by political theorists and European Union specialists. See G. Majone (1996), *Regulating Europe*, London, Routledge and Hix, S. (1999) *The Political System of the European Union*, London, Palgrave.

[59] See Communication from the Commission to the Council and the European Parliament (COM(2005)97) *Better Regulation for Growth and Jobs in the European Union*, Brussels, EC. Since the launch of this initiative, the Commission publishes regular reports on progress made advancing this goal. The most recent report is from 2009 and is entitled 'Third Strategic Review of Better Regulation in the European Union', COM(2009)15

One other issue on which consensus was found concerns the increase of the maximum co-funding rates for TEN-T projects and especially for those of high EU-added value like cross-border projects. Increasing the TEN-T Programme budget in conjunction with the upholding or increasing the co-funding rates at project level would create an enabling financial environment for large projects. In turn, this would improve the standing of such projects in their respective national agendas. This would also better reflect EU priorities thus creating a powerful tool for policy making. In this respect it is worth noting that this has been a recurrent demand of all EU institutions directly or indirectly involved in the implementation of the TEN-T Programme since the mid-1990s.

4.3.2 Improved coordination

The TEN-T Programme implementation would benefit from enhanced coordination at two levels:

At the institutional level—presently EU support for transport infrastructure is divided among three funds: the TEN-T budget, the ERDF and the Cohesion Fund. The TEN-T budget is managed by the TEN-T Executive Agency and, by default, DG MOVE; the ERDF and Cohesion Fund fall under the jurisdiction of DG REGIO.

The TEN-T Programme follows a different logic of intervention than funds managed by DG REGIO. The objective of DG REGIO is to support European regions to upgrade their infrastructure towards meeting the levels of quality and service that are found at the core of Europe, thus reducing the development gap between centre and periphery and maximising territorial cohesion across the EU. Accordingly, DG REGIO is needs-oriented in its policy and follows the requirements of Member State regions. In the transport sector this often translates into support for the upgrading of the road network. By contrast, DG MOVE follows a more top-down sectoral perspective since its overall aim is to design and implement the Common Transport Policy. Thus its goal is less that of supporting Member States to advance their national networks; it is more that of creating the European added-value in the transport sector. This implies placing a strong emphasis on inter-connectivity between Member States and across major Priority Projects while, in parallel, advancing co-modality.

Both logics are justifiable and have a rightful position in the general European policy framework even if they are not always congruent at project level. In the long-term, however, it will be important to better match the two approaches in order to avoid distortions to competition between road and rail. For this reason it is important to enhance the pro-active coordination between the two institutions in the transport sector. This could be done in different ways: for instance through regular inter-consultation meetings, or even better, by sharing a common database on transport projects and beneficiaries.

At the priority project level—The European Priority Projects (PP) represent key axes for connecting European countries which already exist, albeit to a variable extent. Projects retained for funding under the multi-annual component of the TEN-T Programme represent

key or missing links or border crossings on these Priority Projects and it is this that justifies their prioritization in terms of funding.

Therefore, when providing financial aid to a specific part of a priority project it is important to keep an overview of how progress on this specific action is impacting on the whole PP development, including the implementation of other Priority Projects. In transport planning this is known as transport phasing: given the long-term implementation time of most transport infrastructure projects and the costs involved, it is important to pay attention to the phasing of different components so as to safeguard overall project consistency, in addition to maximizing benefits in the long- but also short-term (i.e. during the transition phase when the PP is not yet operating at full scale).

This is the main role of the European Coordinators. This is a very useful institution and the high-level experts assigned to monitor developments at PP level are fulfilling their mission as facilitators by liaising between key stakeholders as well as between national governments and the European Commission. Their liaison or coordination role could be enhanced by the following:

- Greater commitment on behalf of Member States to the completion of the missing links of Priority Projects on their territory—for instance by signing a legally-binding Agreement outlining the PP design and that of its individual components, and committing signatories to full realization;[60] or through the setting up of expert committees at Commission level for each priority project with representation from Member States and key stakeholders.
- The establishment of new implementation structures in the form of European Economic Interest Groups, or equivalent, to oversee the implementation of Priority Projects thus removing the day-to-day management from the direct jurisdiction of national transport ministries. Similarly dedicated governance structures could be developed to support the corridor approach. This would bring to an end the isolated implementation of Actions and better address political, financial and technical impediments linked to global projects.
- Improved interaction between the European Coordinators and TEN-T EA in the form of regular exchanges of information at PP level and with respect to strategic considerations.

In addition there is scope for enhancing the exchange of information across Priority Projects through comparative analyses.[61] This would be greatly assisted by the availability of a European transport model and a European transport information database.[62]

[60] This was also an explicit recommendation of the experts participating at the plenary sessions of the MAP review.

[61] This was one of the recommendations of the ERTMS expert group that met in the framework of the mid-term review of the MAP Project Portfolio Review.

4.3.3 The network approach

The proposal to replace the Priority Projects with a core network has been advanced by the expert group on methodology set up by DG MOVE (see §3.4.3) as a way forward to update the European priorities to take into account socio-economic and transport systemic developments since 1996 (when the concept of the priority project was first introduced), in addition to strengthening the European added value of TEN-T infrastructure investments. In line with this, the external experts participating at the MAP Review called for the re-design of the TEN-T Guidelines, also as a means for promoting co-modality. The idea behind the 'core network' proposal is to establish the European priorities with reference to the comprehensive network (which also includes national links and priorities) and by considering project packages on the links between capital cities or other major nodes (such as ports or airport hubs). In this context, the concept of 'package' is used to refer to a combination of infrastructure projects towards the promotion of co-modality or the combination of infrastructure projects with other regulatory or financial measures.

The idea of the 'core network' was welcomed by all officials interviewed for the present assessment, whereby doubts were expressed by some as to the likelihood of it translating into a different approach in practice, given the political interests driving the revision of the TEN-T guidelines. A possible way forward, other than merely relying on multi-criteria analysis as recommended by the expert group, would be to combine the top-down and bottom-up approaches *explicitly*.[63] The top-down approach emphasizes European added-value whereas the bottom-up approach is motivated by national interests. Superimposing one map of the network against the other might well disclose the contradictions inherent in the two approaches, but it is also likely to bring to light previously concealed complementarities. Consequently, these can be used for defining adequate project packages and also to help improve the commitment of Member States to the European network. In fact, such complementarities are especially likely to emerge in cross-border regions in relation to primary connections between the main hubs or cities in combination with secondary connections between peripheral nodes. The former are relevant for the European core network while the latter are more important for the bilateral or regional levels. Their combination improves connectivity and increases accessibility, thus represents added-value to both.

The application of this method could also accelerate the definite shift away from the piecemeal allocation of the European TEN-T budget towards an approach which is both strategic and objective. The introduction of transparent procedures and professional tools for

[62] Despite significant investments in the construction of a European transport model and a European transport information database, a fully-operating framework which is available on demand for carrying out impact assessments is not yet available.

[63] This recommendation is in line with the one advanced in the previous section about the need to develop a European transport and traffic model and information database. The absence of a European analysis of transport developments forces the Commission and its agencies to overly rely on Member States' assessments and was also recently criticized by the Court of Auditors (Special Report No. 8/2010, supra note 11). They too called for the development of a top-down European analysis of bottlenecks and traffic flows to guide prioritization.

the evaluation of projects by the TEN-T Agency has already effected a significant objectification of the selection process, but there remains room for improvement. This could be achieved gradually in the mid-term and mainly in the course of the next financial perspective by applying the core network approach to the prioritization of actions in conjunction with greater attention paid to phasing considerations.

4.3.4 Enhanced relation to transport policy

One final issue that deserves more attention from the strategic point of view is the need to establish a closer linkage between infrastructure policy and transport policy. This has been a notorious problem in the transport sector where national transport policy was considered equivalent to infrastructure policy for many years. In this respect, it is telling that several Member States have a master plan of some sort for infrastructure development but nothing of the same political weight for non-infrastructure policies or what is otherwise known as horizontal measures. The situation is better at EU level and the White Paper on the Common Transport Policy from 2001 (and its subsequent Mid-Term Review from 2006) represents an important milestone in terms of advancing transport policy objectives. Nevertheless, within the TEN-T Programme which deals primarily with infrastructure, there remains a tendency to separate policy considerations such as ITS or ERTMS from infrastructure.[64] The result of this disassociation is that infrastructure projects will often be developed without adequate consideration of transport systemic factors, like co-modality,[65] and will thus be immature at the time of planning or even technical design.[66] Similarly transport policy measures will often be elaborated without due attention paid to the reality on the ground in terms of infrastructure needs. Low project maturity is sometimes the result of the failure to link infrastructure and transport policy in an adequate manner.

Despite repeated calls for better linking infrastructure policy to transport policy there have been hardly any ideas about how to bring this about. Insofar as the TEN-T Programme is concerned, one first way forward would be to ask proposers to explicitly consider transport policy issues in their application—with additional points given for projects that come up with innovative ideas about how to use infrastructure projects to also test or advance safety or environmental standards, innovative financing and/or pricing regimes, regulatory measures or levels and quality of service. In the latter respect it would also be recommendable to explore how infrastructure projects on the major European axes linking capital cities impact on urban

[64] In the case of the Motorways of the Sea (MoS) this problem is shown by the frequent lack of attention given to ports as drivers for MoS, especially when the ports in question are not part of the PPs. See Summary of Cluster Meeting on MoS during the MAP Portfolio Mid-Term Review.

[65] Experts participating at the plenary session of the MAP review identified this as a weakness of the TEN-T Programme.

[66] Consider also the following comment from Special Report No.8 on EU railway investments (ECA 2010, supra note 11): 'EU interventions in respect of Europe's railways entail two policy instruments, on the one hand, legislative measures aimed at opening the European rail market and promoting interoperability (…) and, on the other, co-financing of new and upgraded rail infrastructure. Overall progress depends on making the most of the synergies between these instruments' (p.10)

transport and sustainable mobility. More generally it is advisable to design future calls in such a way as to better reflect the interfaces between transport policy and infrastructure policy.

5 Conclusions and Recommendations

The mid-term assessment of the TEN-T Programme for the financial perspective 2007-2013 has generated the following conclusions and recommendations. We distinguish between two types of recommendations: the generic and the specific. The generic ones refer to policy issues that are comparatively easy to address in terms of administrative input, and for which the direction of change is clear. Two specific issues, namely that of the strategic orientation of the TEN-T guidelines around a core network or the priority project approach and that of the structure of the programme comprising either one or several component require further assessment following the European regulatory impact assessment guidelines.[67] But regardless of the final strategic choices in this respect, the priority network (core and comprehensive components) or projects ought to be conceptualized in a way that guarantees continuity with the former schemes while taking into account transport policy priorities and the scarcity of funds. An increase of the funds allocated to the TEN-T Programme is, in any case, desirable and will help it meet its objectives more efficiently and effectively.

5.1 Generic recommendations

Re (call for proposals): The commitment of the largest share of the budget of the MAP to the first call back in 2007 resulted in the submission of a number of low maturity or poorly managed project proposals. In the future the MAP budget should be more cautiously distributed across several regular calls. The two-stage proposal model also deserves further attention and analysis. The first proposal stage could be used to establish a project pipeline, whereas projects reaching the adequate maturity level would be considered for funding at a second stage.

Re (design of proposals and monitoring of projects): The projects that are submitted and selected for funding under the TEN-T Programme differ to a great extent. The project definition and structure are based on different concepts that vary not only between Member States, but also from one applicant to another. Illustrative examples in that respect can be found in the significant variety of methods to assess external costs or socio-economic benefits. In order to enhance comparability thus also facilitating both the evaluation of proposals but also the technical monitoring of projects, it is recommended as a first step to elaborate a common set of assessment practices (such as cost-benefit analysis or CBA) which may subsequently grow into harmonised methods for proposals/projects. In accordance with its mandate, the Agency ought to carry out a stock-taking exercise to compile information on the appraisal and assessment practices in use at Member State level. Similarly, the Agency should

[67] See http://ec.europa.eu/governance/impact/commission_guidelines/commission_guidelines_en.htm

develop a detailed knowledge about the different project management practices applied by stakeholders, including financial, legal and technical aspects.[68]

Re (external evaluation): The TEN-T Agency should be given the opportunity to complement the Commission's evaluators' database with its own specialized references meeting the specificities of the area, while ensuring effective rules regarding confidentiality and conflicts of interest. Both aspects are particularly relevant taking into account the larger scope and size of the grants contracted by the TEN-T EA as well as the political sensitivity of transport infrastructure investments.

Re (internal evaluation): The rules for judging and prioritizing among the projects positively evaluated by external evaluators in order to arrive at a final project list for retention, hence, funding, ought to be better defined and communicated.

Re (project management tools): The ASR template should be customized to enable cumulative reporting (next to period reporting and on the whole Action) towards the better appreciation of the progress of actions with reference to their original plans; improvements are also necessary with respect to the TENtec tool especially with regard to consistency checks and time plans.

Re (programme results): The TEN-T Programme in both the annual and multi-annual components has been performing very well. The delays in project completion are overall not extreme and in most cases justifiable; and the share of projects that had to be cancelled for not showing sufficient progress is very small. Delays are more frequently the result of cumbersome administrative procedures than the result of poor management. Upon completion, the vast majority of projects have fulfilled their stated objectives, thus contributing to the overall objectives of the TEN-T Programme. The enhancement of project management within the TEN-T Executive Agency, including of improved communication with the beneficiaries, is expected to further improve the programme's performance over the remaining period of the present financial perspective.

Re (role of Member States): There is still room for improvement with regard to the commitment of Member States to the European network and, especially, cross-border projects. The problem here is a combination of many factors: next to political constraints arising out of the juxtaposition of supra-national, national and regional priorities, there is the problem of the comparatively low EU financing available for these projects, a fact also impacting negatively on the Agency's leverage in terms of project management and performance. To this should be added the inherent contradiction also within European infrastructure funding policy between the objectives of transport policy and those of cohesion and regional development.

[68] In this connection it is worth adding that the Court of Auditors (supra notes 1 & 12) also recommended the reinforcement of the submission procedures with respect to the background information provided by applicants. Specifically, they suggest the use of cost-benefit analysis (CBA) for establishing project impact.

Re (legal framework): The EU legal framework governing the TEN-T policy needs to be revised not only in terms of content but also in terms of removing administrative rigidities with respect to the management of the budget, i.e. the limited time horizon for the EU budget execution that may not match the long term perspective needed by most big infrastructure projects. This would allow more flexibility to react to real systemic changes on the ground and contribute to the more efficient deployment of TEN-T funds towards meeting the programme's high-level objectives.

Re (institutional coordination): Despite improved collaboration between DG MOVE (and TEN-T EA) with DG REGIO and the EIB, there is still room for improvement, starting from enhanced and systematic information exchange. In the long-term this could be further improved through a centrally managed single structure that concentrates all EU transport infrastructure funds and associated objectives. Such a single structure displays several advantages: it would assist the mainstreaming of sectoral policy objectives within regional development and that of cohesion objectives within transport infrastructure policy; by optimising the efforts deployed so far at EU level it would increase the EU leverage effect; and finally, it would facilitate the better targeting of EU strategies, including of policy implementation.

Re (coordination at PP level): The work of the European coordinators for Priority Projects can be further strengthened through the implementation of expert and stakeholder committees to support the coordinators' work and through the establishment of a European traffic and transport model to allow comparative analyses and impact assessments. Comparable governance patterns can be used to support the corridor approach in order to better address potential problems and maximise the benefits of EU funds.

Besides the above adjustments it will be important to reflect on two strategic issues. These are the future of TEN-T policy and the structure of the TEN-T Programme. The two areas are distinct but inter-related therefore their interfaces must also be examined. It is recommended to submit the policy options independently and in conjunction to regulatory impact assessment. These strategic issues are described in more detail below.

5.2 Strategic decisions

5.2.1 The future of TEN-T policy: core network vs. priority project approach

There is a lot that speaks in favour of moving towards the core network idea and the conceptualizing of priority 'packages' as opposed to Priority Projects on key links or nodes. This could help integrate national/regional concerns with European concerns as well as infrastructure policy and transport policy objectives.

The two policy options—core network (option I) vs. priority project (option II)—ought to be submitted to regulatory impact assessment following the Commission's Guidelines under the 'Better Regulation' Initiative. In that respect, particular attention should be paid on the socio-economic and transport benefits in the short- and long-term; the impacts on regional development and cohesion; the impacts on the environment; as well as the impacts on the structure of the TEN-T Programme and the related administrative burdens.

The possible advantages of option I (core network) were elaborated above in section §4.3.3. To reiterate, this is the option which in different guises has been advocated by various expert groups called on to advice the EC on the future of the TEN-T policy and TEN-T Programme, including in the framework of the MAP Review. This option was also indirectly backed by the European Court of Auditors in its recent opinion on the EU railway investment policy when it recommended that more attention is paid to the synergies between regulatory and infrastructure measures. Option II (the Priority Project) approach is the one which has been followed since the mid-1990s and is, therefore, well known in terms of both its advantages and its disadvantages. Its main advantage is that it is easier to operationalize and, hence, manage in allowing a clearer focus on infrastructure measures on specific axes, which can be easily outlined in physical space. This is, however, also its main disadvantage, since the focus on physical infrastructure, usually of a single mode, tends to shift attention away from the importance of co-modality, regulatory and policy measures and the need to support harmonization.

Insofar as administrative burdens are concerned, the key issue here is what the shift towards the core network approach, which entails supporting 'package' measures combining infrastructure actions with regulatory and financial instruments rather than mere 'works' or 'studies', would imply for the type of projects that would be funded—the selection but also the monitoring procedures. As was already noted in §4.2.3 'works' like 'mixed' projects combining both 'works' and studies' are more likely to face difficulties (and delays) in terms of implementation by reason of their complexity unless well designed in advance. The 'package' approach is likely to display comparable challenges, thus potentially creating additional administrative burdens with respect to the management of the TEN-T Programme and budget. It will, therefore, be important for TEN-T EA to carefully assess what this approach implies for the Agency in terms of human resources but also in terms of the procedures to adopt for selecting projects as well as for monitoring them.[69]

Any decision in favour or again one or the other option—or of a compromise solution in-between—must weigh costs and benefits in terms of long-term effects but also short-term results (and in particular administrative burdens) to then seek to optimize benefits and minimize costs.

[69] In this connection, the proposed two-stage procedure as outlined in § 4.1.4 might gain more in importance

5.2.2 A new structure for the TEN-T Programme?

A final issue that deserves further serious consideration is that of the TEN-T Programme structure. The main question here is whether the current structure distinguishing between an annual and multi-annual programme should be maintained during the next financial perspective (option A) or whether there should be an overhaul of this towards a single programme with different components allowing for the distinct but also combined support of infrastructure and horizontal measures as well as for thematic calls next to calls concentrating on the construction of new or the upgrading of existing infrastructure of EU-added value (option B).

Deciding in favour of one or the other option entails the following preparatory steps:

1. Carrying out an evaluation of the annual programme in terms of revealing its European added-value. In this connection caution is called for when assessing the impact of studies the effects of which are not as direct or tangible as those of infrastructure projects. The impact of such studies would have to be assessed in terms of effects on regulations and standards as well as on building institutional and coordination capacity at trans-national level.
2. Better specifying the distinct character of the annual programme through a careful long-term definition of priorities at the interface between infrastructure and transport policy in order to assess whether there are enough such priorities for regular annual calls over a period of five to seven years; or alternatively what it would imply to incorporate these policy priorities in a single programme through a series of targeted calls.
3. Establishing the administrative burden of effectively monitoring several smaller projects. In this case, effective monitoring does not only mean ensuring that the projects are completed on time and according to budget; but also that their results are adequately disseminated and used by the Commission services. At first sight, smaller projects appear 'easier' to manage and monitor (see also section §4.2.3) than bigger and more complex projects. On the other hand, for smaller projects to have an effect, a more robust interaction between the operational (TEN-T EA) and policy (DG MOVE) levels is called for in order to ensure the dissemination of project results to appropriate bodies. This too has implications in terms of human resources.
4. Establishing an architecture for a new enlarged single programme with different sub-areas defined with reference to the type, contents and size of projects rather than the regularity of calls. This is necessary as basis for assessing the impacts, costs and benefits of option B.

Clearly the decision on the TEN-T Programme structure will also be affected by the decision on the strategy to be adopted regarding the revised TEN-T Guidelines, therefore it is important to also consider the interaction effects between the two.

Overall it can be stated that the TEN-T Programme has been delivering according to plan and key performance criteria; and that significant progress has been made in terms of the realization of the objectives of the TEN-T policy. There is nevertheless still room for improvement towards the better customization of procedures, on the one hand, and effective policy implementation, on the other. A strategic reflection on the orientation of TEN-T policy and, at the same time, the structure of the TEN-T Programme, in conjunction with small-scale adjustments at the level of operational management promise a further significant enhancement in terms of both efficiency and effectiveness.

Annex I: Bibliography

Legal Framework (chronologically)

Decision No 1692/96/EC of the European Parliament and of the Council of 23 July 1996 on Community guidelines for the development of a trans-European network (OJ L 288), last amended by Decision No 884/2004/EC of 29 April 2004

Regulation No 1605/2002 (of 25 June 2002) on the financial regulation applicable to the general budget of the European Communities (OJ L 248)

Regulation No 2342/2002 (of 23 December 2002) laying down detailed rules for the implementation of Council Regulation No 1605/2002 on the Financial Regulation applicable to the general budget of the European Communities (OJ L 357)

Regulation No 58/2003 (of 19 December 2002) laying down the statute for executive agencies to be entrusted with certain tasks in the management of Community programmes (OJ L 11/1-8)

Commission Decision of 26 October 2006 establishing the Trans-European Transport Network Executive Agency pursuant to Council Regulation (EC) No 58/2003 (2007/60/EC) (OJ J 32/88), amended by Decision 2008/593/EC of 11 July 2008 (OJ L 190/35)

Regulation (EC) No 680/2007 of the European Parliament and of the Council of 20 June 2007 laying down general rules for the granting of Community financial aid in the field of the trans-European transport and energy networks (OJ L 162/1-10) [This regulation replaced the previous Regulation (EC) No 2236/95 from September 1995 (in force till December 2006)]

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Work Programmes TEN-T Programme (chronologically)

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2008 Multi-Annual Work Programme—Commission Decision C(2008)1561 of 23 January 2008 establishing the work programme 2008 for grants in the field of TEN-T on the basis of the multi-annual work programme for the period 2007-2013

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TEN-T EA (2010), Report on MAP Mid-Term Review, Motorways of the Sea, Internal Document reporting on MoS Cluster Meeting

Annex II: Methodological Tools

Question Guide

Thank you for agreeing to an expert interview on the implementation of the TEN-T Programme. The interview forms part of a preliminary external evaluation of the implementation of the TEN-T Programme. The purpose of the expert interview is to gather your views on the present state and future prospects of the TEN-T policy and programme, especially in relation to the way these relate to the work of the TEN-T Agency. Your answers will be treated confidentially and you will be provided with the evaluation report for commenting prior to its finalization and release.

The questionnaire is organized in four parts:

- Programme structure
- Annual Programme Review
- Management Procedures
- Legislative and Strategic Issues

Please only respond to those questions that relate to subjects within your competence.

TEN-T Programme Structure

The TEN-T Programme comprises a multi-annual component which absorbs the lion's share of the budget and an annual programme. Both programme components are implemented through annual calls, albeit with significant variations in terms of budget allocation. I am interested in your opinions on the programme's scope and precision in meeting the objectives of the TEN-T policy:

1. Within your portfolio, is there a substantive difference between the two programmes in terms of contents and scope? Which one(s)?
2. Within your portfolio, how do the programmes differ in terms of the types of projects they support (types: works, studies, loan guarantees, risk capital facility, other)
3. Within your portfolio, how do the programmes differ in terms of the size and duration of the projects they support?

Annual Programme Review

In this part of the interview I am interested in your experiences running the programme on a day-to-day basis. Considering that the multi-annual programme has already received a comprehensive internal review with the help of external experts, I will focus my questions on the annual programme, but would appreciate also your views on the differences between the two programme components.

1. How many projects of the annual programme are you (and your team) responsible for? How does that compare with the projects under the multi-annual programme?
2. How many of your projects under the annual programme component are 'works', how many are 'studies'? How does that compare with your projects under the multi-annual programme?
3. What is the average duration of your projects under the annual programme? How does that compare with the projects you manage under the multi-annual programme?
4. What is the average budget of the projects you manage under the annual programme? How does that compare with the projects you manage under the multi-annual programme?
5. What are the main problems you have observed in the implementation of projects under the annual programme? How do these compare with those running under the multi-annual programme? [Think equally about success stories (if any) and the related reasons]
6. What is the average co-funding rate of projects under the annual programme? How does that compare with projects under the multi-annual programme? [If these are similar: do you think this is the best way to achieve the stated objectives? Do you think there should be a differentiation in funding rates? Please elaborate]
7. What are your experiences with the application of the monitoring procedures / tools (ASR, SAP) for projects running under the annual programme? Are these any different in comparison with the multi-annual programme?
8. How often do you carry out site visits on projects funded under the annual programme? How does that compare with projects running under the multi-annual programme?
9. What is the share of projects running under the annual programme which are experiencing delays and what is the average delay observed? What are the main reasons for these delays?
10. What is the share of projects running under the annual programme which are experiencing budget overruns and what how big are these? Are these likely to endanger the completion of the projects?
11. Do the projects running under the annual programme display a good understanding of management and internal evaluation?
12. Are the notions of maturity and risk important success / failure factors for projects running under the annual programme (as they were identified under the multi-annual programme)? How?
13. Based on your experiences running projects under both the annual and multi-annual programmes, to what extent is the distinction justified?
14. Were you to be in the position to change something in your portfolio of projects (annual and multi-annual), what would that be?

Management Procedures

This part of the questionnaire concentrates on the management of the programme as a whole rather than the management of individual projects.

1. Looking back at the last three years of the implementation of the TEN-T Programme by the TEN-T Agency: what would you say are the main lessons you and your team have learned in terms of (a) the application procedures, (b) the evaluation procedures and (c) the monitoring procedures?
2. Are you satisfied with the present status of the application, evaluation and monitoring procedures and the tools at your disposal?
3. How do you select experts for the evaluation of proposals? Is there any coordination with other relevant institutions, such as the directorate in charge of cohesion/structural funds and/or the EIB?
4. What is the average work load of project officers under your management line?
5. What is the typical background / professional expertise of project officers under your management line?
6. Do you consider the ASR and SAP good monitoring tools? What do you like about them, what don't you like about them? Do you think they are sufficiently integrated?
7. How happy are you with the TENtec tool introduced by DG MOVE to support the monitoring of the TEN-T Programme at project level?
8. A common complaint with reference to the implementation deficit of the TEN-T Programme concerns the insufficient 'maturity' of projects at the time of adoption of the Commission Decision. This comment was advanced already by the Court of Auditors in their review of the previous TEN-T Programme, but it is also frequently referred to in this year's documents concerning the review of the multi-annual programme component (MAP Review). One way around this problem is the introduction of a two-stage procedure for deciding about project funding, whereby a number of projects is short-listed for funding, which is then made conditional on the fulfilment of specific conditions within a specific time framework. What do you think about this proposition?

Legislative and Strategic Issues

Finally, in this last section of the interview I would be interested to hear your views about some strategic issues regarding the future TEN-T policy, including its legislative framework:

1. What is your view about the proposal to combine the TEN-T Guidelines and Financial Framework in one Regulation? Do you think this will impact positively on the implementation of the TEN-T Programme?
2. Do you agree that the Commission, hence also the TEN-T Agency, should be able to exercise some flexibility in deciding about the Priority Projects to be funded and the rate of EU co-funding?
3. The Court of Auditors' report on the previous TEN-T Programme period (2000-2006) was critical of the way in which the criteria for project prioritization and funding were not adhered to, and that instead the TEN-T budget was allocated to Member States

according to the principle of 'fair share'. To what extent do you think this has changed? What more needs to be done for the achievement of the TEN-T network following the priorities set in the Guidelines?

4. What is your opinion about the proposal to better coordinate the EU funding instruments on the TEN-T (specifically the TEN-T budget with the Cohesion / Structural Funds and the EIB), if necessary also through one single institution?
5. What is your view of the proposal advanced in the expert group reports and consultation documents to move away from the priority project idea to the core network / comprehensive network concepts and also consider the financing of 'packages' rather than projects alone?
6. An outstanding issue in the present discussions of the way forward regarding the TEN-T policy concerns the better integration of the TEN-T (infrastructure) policy and the transport policy per se. What, in your view, are important issues in this respect?
7. Any other comments?

List of Interviewees

Ioannis Giogkarakis-Argyropoulos, Head of Unit T2
Christopher North, Head of Unit T3
Anna Panagopoulou, Head of Unit T4
Victor da Fonseca Senior Project Manager T2
Pietro Bumma, Senior Project Manager T2
Anna Livieratou-Toll, Senior Project Manager T2
Morten Jensen, Team Leader T3
Richard Ferrer, Senior Project Manager T3
Shelley Forrester, Senior Financial Engineering ManagerT4
Rita Swinnen, Senior Officer, DG MOVE
Herard Ruijter, Head of Unit TEN-T, DG MOVE

Guidelines for Panel Sessions MAP Project Portfolio Mid-Term Review

Multi-annual programme 2007-2013

What is the experience so far? How could the existing programme be improved? To what extent does the programme match the policy?

- Are the impact and the objective(s) of the projects consistent with those of the Programme and of the TEN-T policy? Are there any gaps or inconsistencies and, if so, how could these be overcome?
- To what extent are the objectives of the multi-annual programme being met?
- Have the new MS' networks been adequately adapted and integrated into the TEN-T network? Are there any special considerations that should be taken into account for the new MS?
- The TEN-T programme should be an enabler to achieve transport policy goals. What is your opinion on the current role of the Programme in this regard (e.g. coordinator, facilitator, catalyst or purely funder)? Overall, do you think that this has been achieved?
- What are the main strengths and weaknesses of the programme? Could adjustments be made to the functioning of the programme to maximise the chance of the successful implementation of the programme?
- Do you think that the existing design of calls optimally serves the policy priorities of the Programme or would you recommend changes (i.e. dedicated calls, dedicated budget per priority/area, etc.)?
- Is the current TEN-T programme legally, politically, financially and conceptually sufficient to deliver completion of the TEN-T network, notably to address cross-border sections, key missing links and bottlenecks?

TEN-T Policy and Programme: Towards the Future

What could be improved? How could the programme better meet policy objectives? Need for new concepts?

- For new technologies (e.g. soft infrastructure such as ITS, innovative materials), is the TEN-T policy sufficient? What improvements could be made in the revised TEN-T policy to better address the implementation and market take-up of these technologies? How could this be reflected in the Programme implementation?
- How do you see the future role of the TEN-T programme as an enabler to achieve transport policy goals?
- What innovative aspects do you think could usefully be included in the future TEN-T programme in order to address the new and prominent EU priorities such as climate change (EU 2020 goals, notably decarbonisation and transport infrastructure)?

- Should the programme address the different modes of transport individually or should it focus rather on the network level, addressing bottlenecks, missing links and inter-modality / co-modality?
- How could the added value of the future TEN-T programme be maximised at EU, national and regional level?

Annex III: Tabulations

Table A2. Decisions 2007-2009 (see also Graph 2)

Call Type	Year	Number of projects	Sum of Total Eligible Cost, Million	Sum of Comission Support, Million
ANNUAL	2007	39	840,3	107,5
	2008	49	708,1	138,7
	2009	32	299,6	72,6
ANNUAL Total		**120**	**1.848,0**	**318,9**
EERP	2009	36	3.586,5	480,4
EERP Total		**36**	**3.586,5**	**480,4**
MAP	2007	92	35.020,0	5.916,3
	2008	14	174,8	46,6
	2009	24	989,7	319,2
MAP Total		**130**	**36.184,6**	**6.282,1**
Grand Total		**286**	**41.619,1**	**7.081,4**
** excluding cancelled projects*				

Table A3. Decisions 2007-2009, by call type and planned project duration (see also Graph 3)*

Call Type	Planned duration class (Dec)	Number of projects	Sum of Total Eligible Cost, Million	Sum of Comission Support, Million
ANNUAL	1) Less than 3 years	109	1.634,2	280,2
	2) 3-4 years	7	113,8	25,1
	3) 4-5 years	4	100,0	13,6
ANNUAL Total		**120**	**1.848,0**	**318,9**
EERP	1) Less than 3 years	25	2.582,5	339,6
	2) 3-4 years	11	1.004,1	140,8
EERP Total		**36**	**3.586,5**	**480,4**
MAP	1) Less than 3 years	28	1.012,8	286,1
	2) 3-4 years	18	1.076,3	297,6
	3) 4-5 years	21	5.778,6	1.064,3
	4) 5-6 years	24	5.683,5	1.169,9
	5) 6-7 years	39	22.633,4	3.464,2
MAP Total		**130**	**36.184,6**	**6.282,1**
Grand Total		**286**	**41.619,1**	**7.081,4**
** excluding cancelled projects*				

Table A4 . Decisions 2007-2009, actual and in preparation by type of project (studies, works, mixed)* (see also Graph 4)

Call Type	Type of project	Number of projects	Sum of Total Eligible Cost, Million	Sum of Comission Support, Million
ANNUAL	Studies	75	363,9	178,6
	Studies and works	3	20,2	2,7
	Works	42	1.463,9	137,6
ANNUAL Total		**120**	**1.848,0**	**318,9**
EERP	Works	36	3.586,5	480,4
EERP Total		**36**	**3.586,5**	**480,4**
MAP	Studies	38	3.001,4	1.068,8
	Studies and works	26	15.649,8	2.706,5
	Works	66	17.533,3	2.506,8
MAP Total		**130**	**36.184,6**	**6.282,1**
Grand Total		**286**	**41.619,1**	**7.081,4**
** excluding cancelled projects*				

Table A5. Decisions 2007-2009, actual and in preparation,* by beneficiary country group (see also Graph 5)

Call Type	MS group	Number of projects	Sum of Total Eligible Cost, Million	Sum of Comission Support, Million
ANNUAL	EU	7	53,7	8,9
	NMS	33	199,9	57,3
	EU-15	80	1.594,4	252,8
ANNUAL Total		**120**	**1.848,0**	**318,9**
EERP	EU	2	143,7	28,4
	NMS	5	287,2	31,7
	EU-15	29	3.155,7	420,3
EERP Total		**36**	**3.586,5**	**480,4**
MAP	EU	39	16.721,9	3.996,6
	NMS	15	580,3	193,1
	EU-15	76	18.882,4	2.092,4
MAP Total		**130**	**36.184,6**	**6.282,1**
Grand Total		**286**	**41.619,1**	**7.081,4**
** excluding cancelled projects*				

Table A6. Decisions 2007-2009, actual, closed and in preparation* by type of project (see also Graph 6)

Call Type	Classification	Number of projects	Sum of Total Eligible Cost, Million	Sum of Comission Support, Million
ANNUAL	Horizontal priorities	2	2,9	1,5
	Priority Project	44	719,3	141,4
	Projects of common interest	74	1.125,7	176,1
ANNUAL Total		**120**	**1.848,0**	**318,9**
EERP	Horizontal priorities	4	193,7	38,4
	Priority Project	15	1.851,7	295,7
	Projects of common interest	17	1.541,2	146,3
EERP Total		**36**	**3.586,5**	**480,4**
MAP	Horizontal priorities	51	2.675,9	1.027,9
	Priority Project	79	33.508,6	5.254,2
MAP Total		**130**	**36.184,6**	**6.282,1**
Grand Total		**286**	**41.619,1**	**7.081,4**
** excluding cancelled projects*				

Table A7. Decisions 2007-2009, actual and in preparation* by TEN-T Programme funding rate (see also Graph 7)

Call Type	Support % class	Number of projects	Sum of Total Eligible Cost, Million	Sum of Comission Support, Million
ANNUAL	1) Less than 10%	13	524,3	39,0
	2) 10-20%	30	937,7	96,6
	3) 20-30%	1	20,0	4,0
	4) 30-40%	5	29,5	11,7
	5) 40-50%	7	25,8	12,4
	6) 50%	64	310,6	155,3
ANNUAL Total		**120**	**1.848,0**	**318,9**
EERP	1) Less than 10%	1	374,4	29,6
	2) 10-20%	21	2.191,4	246,7
	3) 20-30%	14	1.020,7	204,1
EERP Total		**36**	**3.586,5**	**480,4**
MAP	1) Less than 10%	19	17.220,6	1.302,5
	2) 10-20%	10	5.341,5	767,0
	3) 20-30%	28	8.799,5	2.193,7
	4) 30-40%	3	2.189,0	701,9
	5) 40-50%	1	11,6	5,8
	6) 50%	69	2.622,4	1.311,2
MAP Total		**130**	**36.184,6**	**6.282,1**
Grand Total		**286**	**41.619,1**	**7.081,4**
** excluding cancelled projects*				

Table A8. Retention Rates 2009 TEN-T Programme (see also Graph 8)							
Year	Call		A = submitted	B = above threshold	C = selected	C/B (%)	C/A (%)
2009	Annual	Number of projects	95	59	32	54,2%	33,7 %
		TEN-T contribution (Million €) (Requested/Proposed)	359,6	246,8	80,0	32,4%	22,3 %
	EERP	Number of projects	99	49	39	79,6%	39,4 %
		TEN-T contribution (Million €) (Requested/Proposed)	2.049,0	1.039,5	500,0	48,1%	24,4 %
	MAP-ERTMS	Number of projects	52	34	26	76,5%	50,0 %
		TEN-T contribution (Million €) (Requested/Proposed)	667,5	514,8	239,5	46,5%	35,9 %
	MAP-ITS	Number of projects	1	1	1	100,0%	100,0 %
		TEN-T contribution (Million €) (Requested/Proposed)	100,0	100,0	100,0	100,0%	100,0 %
	MAP-MOS	Number of projects	6	1	1	100,0%	16,7 %
		TEN-T contribution (Million €) (Requested/Proposed)	83,0	17,1	17,1	100,0%	20,6 %
Total number of proposals			**253**	**144**	**99**	**68,8%**	**39,1 %**
Total TEN-T contribution (Million €) (Requested/Proposed)			**3.259,1**	**1.918,2**	**936,6**	**48,8%**	**28,7 %**

Table A9. Overview of delays: End date deviations (see also Graph 9)

MAP review projects				Annual 2007-2008 projects			
Call Type	Deviation	Projects	Share	Call Type	Deviation	Projects	Share
MAP	1) Project ends early	5	5,4%	ANNUAL	1) Project ends early	0	0,0%
	2) No deviation	29	31,5%		2) No deviation	41	45,1%
	3) 1-6 months	7	7,6%		3) 1-6 months	7	7,7%
	4) 7-12 months	11	12,0%		4) 7-12 months	22	24,2%
	5) 13-24 months	24	26,1%		5) 13-24 months	15	16,5%
	6) more than 24 months	13	14,1%		6) more than 24 months	3	3,3%
	7) Subject to cancellation	3	3,3%		7) Subject to cancellation	3	3,3%
MAP Total		**92**	**100,0%**	**ANNUAL Total**		**91**	**100,0%**
Grand Total		**92**	**100,0%**	**Grand Total**		**91**	**100,0%**

Table A10. Overview of variation in budgeted costs (see also Graph 10)

MAP review projects				Annual 2007-2008 projects			
Call Type	Budget deviation	Projects	Share	Call Type	Budget deviation	Projects	Share
MAP	1) less than -30%	5	5,4%	ANNUAL	1) less than -30%	7	7,7%
	2) -15 to -30%	1	1,1%		2) -15 to -30%	4	4,4%
	3) -5 to -15%	5	5,4%		3) -5 to -15%	3	3,3%
	4) -5 to 5%	53	57,6%		4) -5 to 5%	59	64,8%
	5) 5 to 15%	10	10,9%		5) 5 to 15%	4	4,4%
	6) 15 to 30%	6	6,5%		6) 15 to 30%	7	7,7%
	7) more than 30%	9	9,8%		7) more than 30%	4	4,4%
	8) Subject to cancellation	3	3,3%		8) Subject to cancellation	3	3,3%
MAP Total		**92**	**100,0%**	**ANNUAL Total**		**91**	**100,0%**
Grand Total		**92**	**100,0%**	**Grand Total**		**91**	**100,0%**

Table A11. Decisions 2007-2009, actual and in preparation* by transport mode

Call Type	Mode	Number of projects	Sum of Total Eligible Cost, Million	Sum of Comission Support, Million
ANNUAL	Air traffic management/ATM	1	1,4	0,7
	Airports	8	108,9	15,5
	Inland Waterway	10	123,0	18,5
	Intermodal	11	93,6	17,4
	Ports	12	107,2	17,5
	Rail	45	812,2	155,0
	Road	32	600,1	93,5
	Road traffic management/ITS	1	1,5	0,8
ANNUAL Total		**120**	**1.848,0**	**318,9**
EERP	Air traffic management/ATM	4	193,7	38,4
	Airports	3	480,1	43,2
	Inland Waterway	2	106,4	10,6
	Intermodal	1	59,2	5,9
	Ports	2	180,9	18,1
	Rail	13	1.573,7	259,1
	Road	10	934,2	93,4
	Road traffic management/ITS	1	58,4	11,7
EERP Total		**36**	**3.586,5**	**480,4**
MAP	Air traffic management/ATM	6	718,3	359,1
	GNSS (Global Navigation Satellite Systems)	1	1.222,9	190,0
	Inland Waterway	8	5.071,2	610,4
	Intermodal	1	1.273,8	338,9
	Motorways of the Sea	4	188,4	37,8
	Rail	61	23.346,3	3.936,7
	Rail traffic management/ERTMS	37	904,2	452,1
	River Information Services	6	53,6	16,7
	Road	4	2.406,1	140,3
	Road traffic management/ITS	2	999,8	200,0
MAP Total		**130**	**36.184,6**	**6.282,1**
Grand Total		**286**	**41.619,1**	**7.081,4**

** excluding cancelled projects*

Table A12. Decisions 2007-2009, actual and in prepation* by priority corridor (for priority projects only)

Call Type	PP code	Number of projects	Sum of Total Eligible Cost, Million	Sum of Comission Support, Million
ANNUAL	PP02	1	132,7	5,8
	PP03	9	181,6	34,1
	PP06	5	38,1	19,0
	PP12	8	214,6	34,0
	PP13	1	4,3	2,2
	PP17	1	16,1	8,0
	PP18	2	1,6	0,8
	PP19	1	20,0	4,0
	PP22	4	28,4	14,2
	PP23	2	2,0	1,0
	PP24	2	15,3	7,6
	PP25	2	2,0	1,0
	PP30	6	62,8	9,7
ANNUAL Total		**44**	**719,3**	**141,4**
EERP	PP01	2	54,5	10,9
	PP03	2	104,0	20,8
	PP06	1	263,7	52,7
	PP08	2	269,8	30,0
	PP13	1	58,4	11,7
	PP17	4	680,5	85,4
	PP19	1	176,0	35,2
	PP24	1	198,7	39,7
	PP26	1	46,2	9,2
EERP Total		**15**	**1.851,7**	**295,7**
MAP	PP01	5	5.058,6	960,1
	PP02	2	342,3	29,8
	PP03	11	4.936,6	671,9
	PP04	1	150,6	10,0
	PP06	4	2.256,6	754,5
	PP07	2	7,0	3,5
	PP12	5	2.193,2	155,5
	PP13	1	1.413,1	80,7
	PP15	1	1.222,9	190,0
	PP16	1	10,0	5,0
	PP17	7	3.006,3	437,1
	PP18	7	812,5	190,2
	PP19	2	1.155,4	267,0
	PP20	4	1.344,6	374,3
	PP21	4	188,4	37,8
	PP22	2	15,5	7,8
	PP23	1	14,1	7,1
	PP24	7	3.550,4	423,5
	PP26	1	20,0	10,0
	PP27	6	442,2	124,1
	PP28	2	1.035,7	57,2
	PP29	2	74,0	37,0
	PP30	1	4.258,7	420,2
MAP Total		**79**	**33.508,6**	**5.254,2**
Grand Total		**138**	**36.079,7**	**5.691,2**

** excluding cancelled projects*

Table A13. Decisions 2007-2009, actual and in preparation* by project budget (planned)

Call Type	Planned budgeted cost class	Number of projects	Sum of Total Eligible Cost, Million	Sum of Comission Support, Million
ANNUAL	1) <20 million	91	536,4	197,9
	2) 20-100 million	28	1.178,9	115,2
	3) 100-500 million	1	132,7	5,8
ANNUAL Total		**120**	**1.848,0**	**318,9**
EERP	1) <20 million	5	80,3	14,7
	2) 20-100 million	20	952,9	141,7
	3) 100-500 million	10	1.920,0	248,0
	4) >500 million	1	633,3	76,0
EERP Total		**36**	**3.586,5**	**480,4**
MAP	1) <20 million	47	345,1	168,0
	2) 20-100 million	37	1.712,7	592,1
	3) 100-500 million	24	6.412,6	1.221,6
	4) >500 million	22	27.714,1	4.300,4
MAP Total		**130**	**36.184,6**	**6.282,1**
Grand Total		**286**	**41.619,1**	**7.081,4**

** excluding cancelled projects*