Procedure file

Basic information		
INI - Own-initiative procedure	2022/2021(INI)	Procedure completed
Large transport infrastructure projects in the EU		
Subject 3.20.11 Trans-European transport networks		

Key players			
European Parliament	Committee responsible CONT Budgetary Control	Rapporteur Cepp NOVAKOV Andrey	Appointed 07/04/2022
		Shadow rapporteur S&D CREU Corina	
		CHASTEL Olivier PEKSA Mikuláš KUHS Joachim	
		OMARJEE Younous	
	Committee for opinion TRAN Transport and Tourism (Associated committee)	Cepp MARKEY Colm	Appointed 10/03/2022
European Commission	Commission DG Mobility and Transport	Commissioner VĂLEAN Adina	

Key events			
10/03/2022	Committee referral announced in Parliament		
10/03/2022	Referral to associated committees announced in Parliament		
25/04/2023	Vote in committee		
05/05/2023	Committee report tabled for plenary	<u>A9-0181/2023</u>	Summary

12/06/2023	Debate in Parliament	T	
13/06/2023	Results of vote in Parliament	<u> </u>	
13/06/2023	Decision by Parliament	T9-0229/2023	Summary

Technical information	
Procedure reference	2022/2021(INI)
Procedure type	INI - Own-initiative procedure
Procedure subtype	Initiative
Legal basis	Rules of Procedure EP 55; Rules of Procedure EP 57_o
Other legal basis	Rules of Procedure EP 165
Stage reached in procedure	Procedure completed
Committee dossier	CONT/9/08483

Documentation gateway					
Committee draft report		PE729.931	02/02/2023	EP	
Amendments tabled in committee		PE742.682	01/03/2023	EP	
Committee opinion	TRAN	<u>PE737.197</u>	21/03/2023	EP	
Committee report tabled for plenary, single reading		<u>A9-0181/2023</u>	05/05/2023	EP	Summary
Text adopted by Parliament, single reading		T9-0229/2023	13/06/2023	EP	Summary
Commission response to text adopted in plenary		SP(2023)484	19/12/2023	EC	

Large transport infrastructure projects in the EU

The Committee on Budgetary Control adopted the own-initiative report by Andrey NOVAKOV (EPP, BG) on large transport infrastructure projects in the EU - implementation of projects and monitoring and control of EU funds.

Major transport projects in the EU

Members pointed out that large infrastructure projects play a crucial role in implementing TEN-T policy and are of instrumental importance in removing bottlenecks and eliminating missing links, particularly on cross-border sections.

The report stressed that extending the European transport network corridors to non-EU partner countries in the neighbourhood (such as Ukraine, Moldova, Northern Macedonia, Albania, etc.) would considerably improve the seamless functioning of the TEN-T. It called for Bulgaria and Romania to be swiftly integrated into the Schengen area, as this would considerably improve north-south connectivity in Eastern Europe. It called on the Commission to support Ukraine and its efforts to strengthen rail connections between Ukraine and the EU with a view to the future integration of Ukraine's transport infrastructure into the TEN-T.

EU funding and implementation

Over the period 2007-2020, the EU has allocated more than EUR 109 billion to transport infrastructure projects on the TEN-T, regardless of their size. The European Investment Bank provided EUR 151 billion in loans for transport projects in the EU over the period 2007-2020.

The report pointed out that the EU is currently experiencing an unprecedented situation whereby numerous sources of funding must be absorbed simultaneously and that Member States often do not have the administrative capacity to handle all the funding available from the Recovery and Resilience Facility through the national recovery and resilience plans, while trying to absorb EUR 392 billion of cohesion policy funding before the end of 2027. Members called for synergies between cohesion funds and the recovery and resilience facility.

Concerned about the risk of misalignment between the EUs and Member States strategic priorities, Members called for the role of European coordinators to be strengthened in order to facilitate the deployment of infrastructure projects along the TEN-T corridors and to ensure cooperation and the smooth delivery of cross-border projects. In addition, Member States should ensure consistency between their national transport and investment plans and the EUs transport objectives. Members called on Member States to prioritise the completion of the core TEN-T network in its entirety by 2030, rather than to completing the extended and the comprehensive networks.

Members regretted that major infrastructure projects co-financed by the EU are, on average, experiencing longer delays than comparable

transport projects worldwide. They urged Member States to implement the Smart TEN-T Directive to enable simplified and harmonised permitting procedures and prevent delays in projects.

The report called for the Connecting Europe Facility budget to be increased to meet the additional costs arising from inflation, as well as to take account of other geopolitical and transitional needs and challenges affecting the implementation of the TEN-T, including cross-border sections.

Main priorities and recommendations

Members consider that international experience in financing and implementing major infrastructure projects deserves to be analysed and called for the lessons learned from this analysis to be taken into account in the architecture of future policies (post-2027). In particular, they believe that a systematic risk-based monitoring system for large transport projects would help to better address the significant delays of large transport infrastructure projects in the EU and would contribute to further improvements in managing cost overruns.

Adequate monitoring of the implementation of funds is necessary, as infrastructure projects are exposed to the risk of irregularities, including corruption. The report called on the Commission and the Member States to make mandatory the use of a single integrated and interoperable information and monitoring system, including a single data mining and risk calculation tool, to assess and analyse relevant data, including information on beneficial owners, and to increase the reliability of control. It called for increased collaboration between the European Public Prosecutor's Office and the European Anti-Fraud Office, with a view to improving monitoring and control systems under shared management and preventing the possibility of mismanagement of funds.

The Commission is invited to further strengthen the ex-post evaluation indicators, where possible, by introducing criteria such as road safety; reduction of the number of deaths and serious injuries; reduction of emissions; reduction of noise pollution; increase in economic activity in terms of income and employment benefits for local businesses and population; benefits in terms of time and cost of transport for people and freight; and other social benefits. For each major transport infrastructure project, a thorough socio-economic cost-benefit analysis and environmental impact assessment should be carried out.

Members called for close alignment between the Union's strategic priorities and those of the Member States. They called for the Commission to have greater oversight over the planning and implementation of projects along transport network corridors. Priority treatment (with shorter deadlines and simultaneous and/or simplified procedures) should automatically apply to TEN-T projects where such a framework exists in a national legal framework. Member States whose national legal frameworks do not provide for such priority treatment should introduce it for transport projects. The benefits of having a designated authority to streamline administrative procedures at national level are highlighted.

Concerned that long waiting times at the EU's internal borders have a negative impact on EU-funded infrastructure and reduce its overall usability, Members called for an EU-wide standard of one minute on average to be set for the processing and control of EU-registered heavy-duty vehicles at the EU's borders.

Members called for the swift adoption of the European cross-border mechanism, as it would improve the effectiveness of EU investment in cross-border transport infrastructure. They called on the Commission to set up a European fast-track procedure for infrastructure projects along the core and comprehensive TEN-T network.

Large transport infrastructure projects in the EU

The European Parliament adopted by 538 votes to 23, with 68 abstentions, a resolution on large transport infrastructure projects in the EU - implementation of projects and monitoring and control of EU funds.

Major transport projects in the EU

Members pointed out that large infrastructure projects play a crucial role in implementing TEN-T policy and are of instrumental importance in removing bottlenecks and eliminating missing links, particularly on cross-border sections. Effective monitoring, control and financial management of such projects are key to their successful implementation.

Adequate connectivity within and between European regions is crucial, not least because of the crisis caused by the COVID-19 pandemic, Russia's war of aggression against Ukraine and the urgent need to develop alternative logistics routes using different modes of transport. Members therefore stressed that extending the European transport network corridors to non-EU neighbouring partner countries (such as Ukraine, Moldova, Northern Macedonia, Albania, etc.) would considerably improve the seamless functioning of the TEN-T.

EU funding and implementation

The resolution pointed out that the EU is currently experiencing an unprecedented situation whereby numerous sources of funding must be absorbed simultaneously and that Member States often do not have the administrative capacity to handle all the funding available from the Recovery and Resilience Facility through the national recovery and resilience plans, while trying to absorb EUR 392 billion of cohesion policy funding before the end of 2027. Members called for synergies between cohesion funds and the recovery and resilience facility in order to increase the impact of investments on the ground and avoid double funding.

Identified policy shortcomings and challenges

Parliament called for the role of European coordinators to be strengthened in order to facilitate the deployment of infrastructure projects along TEN-T corridors and to ensure cooperation and successful implementation of cross-border projects. It stressed that projects under Member States' national plans should go hand in hand with projects aligned with the Union's transport objectives. Member States should prioritise the completion of the entire TEN-T core network by 2030 over the completion of the extended and comprehensive networks.

The resolution stressed that the Commission should play a greater role in the oversight of project planning and implementation along the transport network corridors. It is suggested that there should be greater coherence between national transport plans and EU investments and priorities, and that EU funding should be conditional on compliance with EU priorities for the deployment of transport infrastructure.

Members regretted that large infrastructure projects co-financed by the EU are, on average, experiencing longer delays than comparable transport projects worldwide. They urged Member States to implement the Smart TEN-T Directive to enable simplified and harmonised permitting procedures and prevent delays in projects.

Parliament drew attention to the fact that inflation represents an enormous risk to current and future infrastructure projects, which may be stalled due to the highly inflated prices of building and raw materials. It called for the Connecting Europe Facility to be increased to meet the additional costs stemming from inflation.

Main priorities and recommendations

In particular, the resolution stated that:

- a systematic, risk-based monitoring system for large transport projects would help to better address the significant delays in large transport infrastructure projects in the Union and contribute to further improving the management of cost overruns;
- a two-stage approach, whereby project promoters would only be invited to submit a full project file once their expression of interest has been approved, could be considered for the next programming period;
- the use of a single integrated and interoperable information and monitoring system should be made compulsory, given that infrastructure projects are exposed to the risk of irregularities, particularly corruption;
- the results of major transport projects should be given greater visibility, as they play an important role in achieving long-term socio-economic and environmental benefits;
- the Commission should further strengthen ex-post evaluation indicators, where possible, by introducing criteria such as road safety; for each major transport infrastructure project, a socio-economic cost-benefit analysis as well as an environmental impact assessment should be carried out;
- close alignment between the Union's strategic priorities and those of the Member States would be desirable; the Commission should exercise greater control over the planning and implementation of projects along transport network corridors;
- there would be advantages in having a designated authority to streamline administrative procedures at national level;
- in order to avoid long waiting times at the Union's internal borders, an EU-wide standard of one minute on average should be set for the processing and control of EU-registered heavy-duty vehicles at the EUs borders in order to help facilitate optimum use of transport infrastructure and networks:
- the European cross-border mechanism should be adopted rapidly, since it would improve the effectiveness of EU investment in cross-border transport infrastructure.

ransparency				
MARKEY Colm	Rapporteur for opinion	TRAN	29/09/2022	European Investment Bank
MARKEY Colm	Rapporteur for opinion	TRAN	28/09/2022	TEN-T Coordinator
MARKEY Colm	Rapporteur for opinion	TRAN	26/09/2022	European Sea Ports Association
MARKEY Colm	Rapporteur for opinion	TRAN	16/09/2022	Department of Transport, Ireland
MARKEY Colm	Rapporteur for opinion	TRAN	12/07/2022	European Rail Freight Association
GHEORGHE Vlad	Member	12/10/2022	Société nationale SNCF	