



Rome, 4 March 2011

RECOMMENDATION

of the Committee on Economic and Financial Affairs,
Social Affairs and Education

On

Euro-Mediterranean Transport Networks

Rapporteurs: - Ms. Inès AYALA SENDER, Vice-Chairperson of the Committee on Economic and Financial Affairs, Social Affairs and Education, Member of the European Parliament

and

- Ms. Bennani SMIRES and Ms. Mbarka BOUAIDA,
Members of the Moroccan Parliament

And on

UfM Projects - Assessment and Vision for the future

of the Committee on Economic and Financial Affairs,
Social Affairs and Education

Rapporteurs: - Ms. Dominique VLASTO, Member of the European Parliament *and*

- Mr. Jordi XUCLA, Member of the Spanish Parliament

INTRODUCTION

Bearing in mind the current situation of various countries in the southern Mediterranean region, the PA-UfM calls for enhanced, practical, rapid and effective support, in particular in the economic field, in order to accompany its process of transition.

The Committee on Economic and Financial Affairs draws the attention of UfM Member States to the risk of a deterioration in the economic and financial situation in the entire Mediterranean region, given the impact of the social and political events in various countries of the region on prices of raw materials and food.

Bearing in mind the recent events in some North African countries, the Committee on Economic and Financial Affairs takes the view that this situation requires a serious and coordinated approach and that it needs be addressed with the utmost urgency.

In managing the urgent migration, energy and economic situation, it highlights the solidarity underpinning the action taken by the European Union and the Union for the Mediterranean. It also emphasizes that action must be taken jointly and involve joint responses and that the most geographically exposed countries must not be left to act alone.

In this context, in order rapidly to designate the instruments for taking practical and effective action, the Parliamentary Assembly of the Union for the Mediterranean urges the creation of a Euro-Mediterranean development bank, as a branch of the EIB, able to meet the need which has now become clear to improve the living conditions of people in the Mediterranean region, by carrying out programmes to combat poverty, unemployment and social exclusion. The establishment of this bank will also make it easier to meet the credit needs of SMEs and of the major infrastructure projects already envisaged at the Paris Summit of the UfM.¹

¹ Reservations expressed by: Germany; Latvia; Netherlands and Sweden

Euro-Mediterranean Transport Networks

- Having regard to the Blue Paper *"Towards an integrated Euro-Mediterranean transport system"* elaborated in the framework of the Euro-Mediterranean Transport Forum (November 2005) and the *Regional Transport Action Plan (RTAP)* elaborated by the High Level Group on the extension of the trans-European Transport priority axes to neighbouring countries (December 2005);
 - Having regard to the Ministerial Conclusions of the Euro-Mediterranean Ministerial Conference on Transport (Marrakech, 15.12.2005);
 - Having regard to the Communication of the European Commission on *Guidelines for transport in Europe and neighbouring regions* (31.01.2007);
 - Having regard to the European Commission Green Paper *TEN-T: A policy review "Towards a better integrated trans-European transport network at the service of the common transport policy"* (04.02.2009) and the Resolution of the European Parliament on *The Green Paper on the future TEN-T policy* (03.04.2009);
 - Having regard to the Communication of the European Commission concerning the *Progress of exploratory talks regarding cooperation in the field of transport with the neighbouring countries* (05.03.2008);
 - Having regard to the Conclusions of the Ministerial Conference in Naples "The future of Trans-European Transport Networks: Bringing Europe closer to its neighbours" (Naples, 21-22 October 2009);
 - Having regard, finally, the Universal Declaration of Human Rights, in particular Article 13 on the free movement of persons,
- A.** Whereas the 1995 Barcelona Declaration stresses "the importance of developing and improving infrastructures, through the establishment of an efficient transport system and "that 'efficient interoperable transport links between the EU and its Mediterranean Partners and among the Partners' themselves, as well as free access to the market for services in international maritime transport, are essential to the development of trade patterns and the smooth operation of the Euro-Mediterranean Partnership;

- B.** Whereas a system of efficient and sustainable transport in the Mediterranean region represents not only an obvious economic necessity to master the effects of globalization, but is essential to the success of the Euro-Mediterranean free trade area and that it will facilitate a neighborhood relationship dynamic and successful as well as increased integration of the economies of Mediterranean Partners;
- C.** Whereas the Mediterranean basin is a key strategic world transport area, in particular the Suez Canal which represents the shortest route between East and West and accounts of 8% of the world seaborne trade passed in 2009;
- D.** Taking into account that the establishment of maritime and land highways defined by the Paris Summit as one of the six major horizontal strategic areas of the UfM further strengthens the regional and multilateral dimension of Euro-Mediterranean relations, provides a framework to meet the socio-economic challenges and ensures the co-development of partner states;
- E.** Stressing the importance of cross-border connections for the integration of countries of the southern shore of the Mediterranean and for territorial cohesion, recalls the problems of isolation and accessibility of the interior regions and the need to integrate them with Coastal regions;
- F.** Believing that transport and infrastructure policies related to Euro-Mediterranean networks must be accompanied by higher ambitious financial commitments from all the protagonists;
- G.** Emphasizing the role of the European Investment Bank who coordinates three of the six priority projects (de-pollution of the Mediterranean, Solar Plan and maritime and land highways);
- H.** Stressing the importance of considering the impact on the environment and climate, in relation with infrastructure development and especially regarding maritime security, as well as for the transportation of oil and chemicals, while ensuring the need for sustainable mobility;
- I.** Whereas urban centres in the Mediterranean face similar problems and challenges with regard to pollution, congestion, noise and road safety as a consequence of urban mobility, in spite of the differences in their size and structure;

- 1) Upholds the conclusions of the Euro-Mediterranean Ministerial Conference on Transport (Marrakech, 15 December 2005), as well as of the Ministerial Conference in Naples (21-22 October 2009), while deploring the lack of progress in establishing the Euro-Mediterranean Transport Networks, despite the commitment expressed by the Euro-Mediterranean Partners in this respect;
- 2) Calls upon the Union for the Mediterranean to hold the next Euro-Mediterranean Ministerial meeting on Transport, in 2011, without further delay, and to put at the centre of the future transport policy of the region the correlation between the Trans-European network policy and the envisaged Trans-Mediterranean Transport Network;
- 3) Calls for the establishment of a Euro-Mediterranean integrated and multimodal transport helping to strengthen trade between the EU and Mediterranean partners and between partners themselves, which includes the following main actions:
 - Strengthen and modernize the institutional framework for transport and increase the financial and administrative capacity;
 - Emphasizes on harmonizing technical and functional rules between countries;
 - Search for optimal and sustainable use of the transport system by promoting co-modality and a focus on rail transport, access to ports and airports and better and enlarged connection to logistic centres;
 - Promote the integration and cohesion of infrastructure networks by providing a transportation network well connected and interoperable between Southern Mediterranean countries and between those countries and the EU;
 - Promote solutions to problems related to urban mobility, which allows local and regional authorities to find solutions and instruments to fight against urban congestion, contamination, improving the quality of urban public services including passenger rights, accessibility for persons with reduced mobility etc;
 - Pay special attention to maritime transport (motorways of the sea) and ports, improve maritime trade through increased port efficiency;

- Better use of the air travel potential and promote passenger transport in particular through tourism;
- Enhance regional cooperation in the field of safety and security for all modes of transport, with special attention for road safety;
- Making the transport system in the Mediterranean safe and sustainable, ensuring the protection of users, of goods and of the environment;
- Strengthen human resources; implement appropriate training programs to improve the skills of staff of transport authorities. For example, take advantage of vocational training programmes offered in some European ports (e.g. Antwerp, Belgium, Antwerp Flanders Port Training Centre, Institute of Transport and Maritime Management Antwerp ...)

4) Considers that it is necessary to integrate common objectives in transport policy :

- Short-distance maritime transport: the creation of highways of the sea, linking corridors and seafronts of Member States and their geographical neighbourhoods is highly necessary ; the intermodality of short-distance maritime transport could also be supplemented by possible participation in Marco Polo programme pilot projects ;
 - Maritime transport : the objective is to avoid the transport by sea of hydrocarbons in the Mediterranean resulting in a new « Erika » or « Prestige » in a closed and ecologically fragile sea ; in this context, a new regional project should bring together the main prevention measures :
 - Air transport : air transport plays a very important role owing in particular to the development of tourism and the mobility of immigrant populations ; the objective is to improve airport capacity and integrate air traffic management systems with a view to the creation of the Single European Sky ; these measures will be supplemented by the possible conclusion of « Open Sky » agreements between the EU and the Mediterranean partners concerned and by participation in the European Aviation Safety Agency;

- Rail transport : the objective is to develop the rail network so as to facilitate South-South exchanges, to improve interoperability and to reduce CO2 emissions ;;
- Galileo: the Galileo project places the European satellite navigation system at the service of a more secure and better protected Mediterranean ; the objective is to involve the Mediterranean partners and their enterprises in providing the capital for the Galileo joint project ;

Research programmes ; the Mediterranean partners may participate in the framework research programme, in particular the priorities « Aeronautics and Space » and « Sustainable Surface Transport » in order to improve the security and safety of the Euro-Mediterranean transport network ;

- 5) Considers essential to the achievement of a Euro-Mediterranean transport system from a situation of fragmentation to a situation of harmonization and integration, that the efforts deployed take into account different levels of development of Mediterranean countries and that public and private funding of projects are secured, enhanced and mobilized to achieve the objectives and guidelines set;
- 6) Calls for a better neighborhood policies that ensure the free movement of people, goods and services, and insist on the urgent need to facilitate the process of visa granting;
- 7) Requests that the support for a transport policy in the Euro-Mediterranean region takes into account not only financial criteria, but also of economic, social and territorial cohesion in particular the needs of territorial planning and sustainable development criteria; requests special attention to cross-border connections, and the need for better connections between inland regions and coastal areas;
- 8) Expresses the conviction that the Euro-Mediterranean Transport Network, including the motorways of the seas, and the Euro-Mediterranean Aviation Area, to be implemented by 2015, will highly contribute to the economic recovery and growth and future enhancement of the living standards;
- 9) Calls for insuring the connection of the Trans-European Transport Networks (TEN-T) with the Trans-Mediterranean (MRT-T) and for the development of innovative and flexible financing instruments, able to adapt to specific economic reality of each transport mode and each region;

- 10) Calls upon the Secretariat of the UfM to increase its efforts of prioritising, coordination and monitoring of projects in this field, while calling also on stakeholders to present comprehensive, innovative projects which could highly contribute to the establishment of the Euro-Mediterranean Transport Network;
- 11) Calls for a process of reflexion on the prices policy for the transport of goods and services between the various Union for the Mediterranean countries in order to make markets more open to exchanges of goods;
- 12) Is of the opinion an adaptation of the legal and regulatory framework is needed to better secure private investment, domestic and foreign, to develop public-private participation in infrastructure projects in transport and in the prospect of creating a regional guarantee fund for private investments in projects;
- 13) Calls for an increased support, on behalf of the European Union, in the form of technical assistance (as, for example, through programmes like "Euromed Aviation II" or "Euromed Road, Rail and Urban Transport") and as "lessons learned" from the TEN-T policy;
- 14) Stresses the need for a higher allocation of funds, including through public-private partnerships, for priority infrastructure projects and the development of maritime, land and rail corridors in the Euro-Mediterranean region;
- 15) Emphasizes the importance of financing large infrastructure projects, especially in the context of economic recovery, while helping to fight against climate change by promoting modal shift to environmentally friendly transport modes, and calls for the establishment of a reinforced financial framework in this respect;
- 16) Invites all stakeholders to ensure reliable and sufficient funds to ensure the success of the investment required for transport infrastructure as well as for projects related in operations by:
 - establishing multi-annual national plans of financing and investment;
 - mobilization of regional and international sources of funding for priority projects;
 - promoting public-private partnerships (PPP);
 - the issuance of Eurobonds;
 - the creation of innovative financing formulas that allow the financing of long term projects;
- 17) Asks the European Commission and all stakeholders involved in the debate of the review of the Trans European Transport Network, and in view of the future financial perspectives, to take into account the Euro-Mediterranean

dimension and the conclusions adopted by the UfM on this issue.

- 18) Pays particular attention to ensure equitable training of human resources for transportation and for harmonizing technical and operations rules between countries.
- 19) Asks the Economic Committee of the PA-UfM to be in charge of the follow-up of these recommendations;
- 20) Suggests the enhancement of cooperation among the national authorities in charge of observation of transport developments and data in the Euro-Mediterranean region.

UfM Projects - Assessment and Vision for the future

- Having regard to the final declaration of the Union for the Mediterranean Summit of 13 July 2008 in Paris;
 - Having regard to the final declaration of the Union for the Mediterranean Conference of ministers of foreign affairs of 3 and 4 November 2008 in Marseille;
 - Having regard to the recommendations adopted by the Parliamentary Assembly of the Union for the Mediterranean at its previous plenary sessions;
 - Having regard to the European Parliament resolution of 20 May 2010 on the Union for the Mediterranean;
- 1) Considers that the Union for the Mediterranean (UfM) must play a leading role in meeting the social and economic challenges faced by the Euro-Mediterranean region as a whole, since it provides an ideal framework for promoting regional integration, strengthening multilateral links and supporting growth and prosperity; emphasises the need to continue implementing UfM projects relating to SMEs, business development, transport, energy, the environment, education and social affairs;
 - 2) Deplores the repeated postponement of the second UfM Summit, the cancellation of several ministerial and sectoral meetings, and the resignation on 26 January 2011 of the Secretary General of the UfM Secretariat; deplores the delay in the UfM's operational launch following the establishment of its secretariat; calls, therefore, on the Secretariat to finalise as soon as possible the regulatory framework establishing the criteria for project selection, funding methods, monitoring procedures and coordinating capacities; stresses the urgent need to clarify the rules on financial contributions by partner countries;
 - 3) Recommends, further, the use of a more operational and technical approach in order to overcome political obstacles and move ahead with projects; considers that such an approach will create positive momentum for the revival of the UfM and will help to restore a climate of dialogue and trust among member countries; supports proposals for closer cooperation, particularly in the fields of action of the UfM projects: De-pollution of the Mediterranean; Maritime and land highways; Civil protection; Alternative energies: Mediterranean solar plan; The Mediterranean Business Initiative; Higher education and research, Euro-

Mediterranean University; applauds at this extent the progress made in setting up and development of the Euro-Mediterranean University (EMUNI);

- 4) Reiterates its call for the UfM's six priority projects to be implemented; emphasises the need to strengthen the complementarities of these projects in order to ensure their success; calls for greater transparency in the selection, monitoring, coordination and funding of these projects; recalls that these are the main tasks of the UfM Secretariat, which it can perform successfully only if it functions properly and receives sufficient funding;
- 5) Draws attention, nevertheless, to the progress made with projects which are outside the UfM framework, but which contribute towards its goals; welcomes, in this respect, efforts to reduce pollution in the Mediterranean, industrial projects within the framework of the Mediterranean Solar Plan, and conclusions of the Arab Summit on climate change in November 2010 in Morocco and initiatives in the context of the InfraMed investment fund;
- 6) Urges to reduce gradually but rapidly the barriers between north-south and south-south in terms of technology, knowledge, trade and mobility and enforce for instance the cooperation with regard to clean energy from south to north by creating appropriate grids, relieve the congested waterway of the Mediterranean through the rapid implementation of a powerful railroad from Rabat to Cairo for environmentally friendly transport of goods and passengers as well as to review the ENP to the effect of eradicating any barriers here while improving the investment security and rule of law.
- 7) Notes that the economic and financial crisis has strained the UfM's funding capacities; recommends the use of a variety of different forms of financing, depending on the operation to be carried out, including accountable microfinance, public-private partnerships and efforts to seek synergies among the different funding sources as a means of bridging the project-funding gap; encourages the presentation of new ideas to improve cooperation and coordination among private and public players in southern Mediterranean development funding; considers that UfM funding provision must be consistent with the principles of co-financing and co-management between the countries on the two shores of the Mediterranean; feels that this type of approach will establish a basis of shared responsibility and place all partners on an equal footing;
- 8) Recalls the UfM's commitment to support the establishment of a deepened free trade area in the Euro-Mediterranean region and enhanced regional and sub-regional economic integration; considers that the establishment of a free trade area on the southern shore of the Mediterranean and between the North and the South will lead to stronger links and increased trade and

investment amongst the partner countries, thus helping to bridge the North-South divide; calls, therefore, for the Agadir Agreement to be implemented properly and extended to all eligible Mediterranean partners; stresses the importance of increasing complementarity between North-South bilateral cooperation and multilateral Euro-Mediterranean cooperation;

- 9) Calls for the lifting of existing barriers and economic obstacles between Northern and Southern countries of the Mediterranean region, so as to achieve economic and social integration;
- 10) Calls for structural reforms to be speeded up, with a view to improving the legal and economic environment, attracting investment and encouraging business start-ups; draws attention to the importance of SMEs as a motor for growth and job creation; emphasises the need to continue removing obstacles to their development; advocates improvements to education and in-service training, accompanied by measures to increase and diversify employment opportunities; calls for the revision of the selective immigration policy which produces the negative results of a brain drain and the mass exodus of young people and qualified workers for the countries of origin to the detriment of their own development, even though they are adopting huge training budgets in order to retain this labour force for the benefit of their national economy: welcomes the progress made in terms of women's integration into economic life; calls for more support to be given to business networks, such as Invest in Med and BUSINESSMED, which provide a structure conducive to best-practice exchanges and the development of synergies in the areas of investment and UfM project funding;
- 11) Is delighted by the success of the first summit of the Euro-Mediterranean Regional and Local Assembly (ARLEM), held on 29 January 2011, which set concrete goals for raising awareness of water-related problems and technology transfer; expresses its support for this Assembly and its role in increasing the involvement of civil society and locally-elected representatives in the implementation of the six priority projects and in providing a practical response to local needs and the concerns of local people; reiterates its stance in favour of the establishment of a formal dialogue within the UfM framework, embracing civil society, non-governmental organisations, business associations and employers' and trade union bodies;
- 12) Calls for establishing an emergency group in the Euro-Mediterranean region confronting the issues in transferring citizens in the event of disasters with a proper financing;
- 13) Emphasizes the need of making the necessary efforts to enable the success of the six major sectorial lines of UfM projects, and highlights, in

this respect, the importance that should be granted, on short and medium term, to the following points:

a) Establishment of a suitable framework for generating new jobs. In this respect, increased efforts should be done for organizing large-scale training programmes, including vocational training, according to the needs of the labor market. Production structures must be created that will allow the creation of new jobs and the manufacturing of competitive products for domestic and foreign markets. A strong commitment of cooperation of the countries of northern and southern Mediterranean is critical for achieving this objective.

b) The EU and Mediterranean Partners face common energy challenges. The diversification and security of energy supplies, transportation and markets, the deepening of energy market reforms, the development and modernization of energy infrastructures, improving energy efficiency, energy savings and the use of renewable energy sources are key concerns and opportunities for all countries.

In this sense, it is essential that the southern Mediterranean countries also take advantage of projects to supply solar energy to households. The solar energy plan should reverse positively on access to electrical power of the countries of the South and, in the same time, it could also contribute to the provision of energy to the countries of the north.

c) Education and research are shaping factors of a common Mediterranean future. Establishing a common educational culture within the region is a key to addressing challenges in other sectors and formulating a professional and cooperative way of thinking of the youth in the region. A means to achieving this goal would be to promote the obtaining of visas for students, as a first step towards a vision of the EU's four freedoms for the Euro-Mediterranean region. A means to achieving this goal would be to promote the obtaining of visas for students, as a first step towards a vision of the EU's four freedoms for the Euro-Mediterranean region.

The promotion of university cooperation will contribute to the establishment of the Euro-Mediterranean Higher Education, Science and Research Network. In this respect is important to fully use the possibilities offered by existing higher education cooperation programmes such as Tempus and Erasmus Mundus.

The Euro-Mediterranean University (EMUNI), seated in Slovenia, as its network is an important partner and a useful asset in the achievement of the aims in this area. For making a better use of all cooperation programmes, it is important that a great deal of attention is granted to increasing language skills. Youngsters should be prepared to communicate and work in different languages, like Arabic and English, but also French or Spanish for its international projection or other languages that could be of great help on the labor market.

d) Transport has always occupied a leading position in the Euro-Med partnership, specifically, in the elaboration of an integrated and efficient transport network in the region, and conducive to trade, economic development and integration.

As regards transport cooperation, the Paris Declaration identified as priority field of action within the UfM, the development of maritime and land highways.

During the year of 2011 it should be defined a plan of maritime and air connections that is designed in a North-South approach and not only in the terms of South-South and North-North that govern most of present tours by boat and plane.

Likewise increased investments should be made on the southern shore of the Mediterranean to improve the ports and airports. Airlines should be encouraged to further increase their routes between North and South.