

South Europe at the crossroads

Are we making the right decisions about accessibility investments for the future?

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Conference Report

Morning session – setting the scene and state of play

‘ESPON is a chance for the future’ as we need to have a harmonised vision for infrastructure’. This was a key point of the introductory speech by Massimo Sessa, President of High Level Council of Public Works, Italian Ministry for Infrastructure and Transport as he welcomed delegates to the first Transnational Outreach Conference in Rome held in the superb setting of the ‘Parliamentino’ in the Ministry. The role of transport infrastructure is of key importance to the cohesion of Europe both in terms of maintenance of existing infrastructure, the creation of new infrastructure and the adaptation to new means of transport and the digital age.

Good research needed for good decision making

Ilona Raugtz, ESPON EGTC Director, thanked the Italian Ministry for their supporting the organisation and hosting the Conference and reminded the seventy delegates present of three key words: accessibility, investment and decisions – all present in the Conference title. The monitoring of accessibility can give insights into territorial impact and indicate future needs. This is where ESPON and its research on accessibility models has provided information both to researchers and policy makers.

The accessibility maps developed by ESPON indicated a clear periphery pattern for southern Europe. The Mediterranean rim has less dense motorway networks and this hinders trade flows. However, it is not just outer-peripherality but also more attention is being drawn to ‘inner-peripherality’ where we can identify local areas inside countries which are becoming increasingly cut-off often by decisions made regarding transport infrastructure.

ESPON research is there to stimulate debates between researchers and policy makers and the sound knowledge base provided by ESPON contributes to good decision making. For example, it is important for policy makers to be aware of the differences between connectivity and accessibility – a more complex concept based on population density and transport infrastructure, service activity and service endowment. Often we see a correlation between accessibility and GDP but not in all cases and thus we need to understand better the causal link between GDP and accessibility. This involves a place-based rationale towards economic development coupled to applied research undertaken by ESPON but also to the exchange of information between practitioners to which this conference can contribute.

Accessibility – a key aspect of territorial cohesion

Klaus Spiekermann from Spiekermann & Wegener Urban and Regional Research (S&W) in Germany continued on the theme of accessibility which was a product of the transport system and resulted in locational advantages relative to other areas. Accessibility measures benefits to households and firms and regions with locational advantages will be more productive and competitive and there is strong correlation with GDP. Accessibility models require a rich input of data and indicators but in mapping this we do find a clear core/periphery model in Europe. What is also important is also to measure the relative changes in accessibility linked to both transport infrastructure investment and population growth or decline. For example investment in high-speed trains has skewed accessibility maps for south-west France and Spain. Air travel and regional airports can provide regional hotspots.

There are potential opportunities for peripheral regions such as intermodal hubs and new gateway cities and regions. However, several challenges remain on how to deal with increased transport volumes and an increasing attention to negative environmental effects. Too often there has been too much focus on road infrastructure and a distinct problem of a 'tunnel effect' where new infrastructure may improve connections between two big cities but the new (often high-speed) infrastructure then goes past smaller towns which were previously served. Thus transport infrastructure is a key aspect of territorial cohesion.

Maritime – a growing interest and key for the Mediterranean

Professor David Shaw from the University of Liverpool drew the delegates attention back to decision making and the 'who' of decision making. This was a key issue for maritime transport and the increasing importance and attention to the seas around Europe as witnessed by maritime spatial planning, blue growth strategies and maritime pollution.

Again evidence shows dominant ports and shipping movement in northern Europe but counter-balanced by a dominance of cruise passenger traffic in the Mediterranean. Maritime traffic is very much influenced by public and private investments as well as global investments such as investments in the expansion of the canal couples to new logistics and port facilities in the Suez canal and expansion of the Panama canal that will double its capacity leading to new port activities on the east coast of the United States and consequently an interest in Liverpool on the west of England to establish a deep sea port to benefit from new shipping lanes.

The Chinese investment in the 'one road one belt' strategy involves maritime and rail and road routes connecting China to Europe. Where these routes end in Europe will be both political and economic decisions. This means that policy makers must consider both the opportunities and the risks that a mix of public and private investment will engender and also look at new models of accessibility within national and transnational space.

Not just outer but also inner peripheries

Francesco Montino from CREA outlined the PROFECY¹ project that will finish in December 2017. The project's main objective is to develop strategies for inner peripheries at the European level to overcome their marginalising effects. The key question is how to describe 'inner peripheries'. The definition that the project is developing is a set of processes that cause significant issues of development potential. These processes are not just geographical but involve the interaction of local actors and their insertion into networks. These processes are dynamic so inner peripherality can change over time. These changes can be linked to three basic models of inner peripherality which are linked to (1) a low level of economic potential most often associated to rural areas; (2) poor access to services of general interest and (3) areas experiencing spatial peripheralisation processes.

One of the problems of identifying inner peripheries is obtaining data at the municipal level (LAU2²) but the project is delivering insights into what can be termed 'areas at risk' which are regions possibly dependent on a single services of general interest provider and on the limit of one or more of the parameters used to identify inner peripheries.

Discussion

These three presentations opened up a good discussion with delegates on 'economic tunnel' effects. Maritime spatial planning and the differences in spatial terms for air transport as compared to rail and road transport. Regarding public and private investment in ports, it was pointed out that successful investment must be aware of differing value chains and return on investment. There was also interest in the concept of inner peripheries at the metropolitan level and how the research on inner peripheries might affect future cohesion policy with a shift to a more fine-grained approach to territorial disparities. Such a shift will require more research on indicators and more access to data at the municipal and metropolitan level.

Afternoon session – country case studies and the way forward

The afternoon session was divided into panel discussions with speakers from Romania, Greece, Malta, Croatia and Italy.

Where's the south and where's the growth?

Alexandru Rusu, Iasi University, Romania reflected on the risks of territorial marginalisation and how the 'south' could be defined, For example, the south might

¹ <https://www.espon.eu/programme/projects/espon-2020/applied-research/inner-peripheries-national-territories-facing>

² <http://ec.europa.eu/eurostat/web/nuts/local-administrative-units>

be defined in climactic terms but we can also see average temperatures rising as we move north. Should the south be identified by ageing population and islands and mountains? Should we identify the south of south – the extreme southern peripheries? There was therefore a danger that the ‘south was seen as not an engine of economic growth but was this in fact the case? Evidence of GDP growth in Europe between 20013-2014 shows that 33% of growth in Europe took place in southern countries. In conclusion, Dr Rusu noted that more empirical studies at the local level are needed and more access to flow data is needed. Also the concept of accessibility is just a starting point in examining in more depth path dependency trends in economic growth.

Stronger focus on smaller towns...

Barbara Acreman from the Italian Ministry of Infrastructure and Transport noted that Italy faced diverse risks as well challenges for urban regeneration and the need to integrate metropolitan areas with railway networks. This integration process also concerned smaller towns as it was clear that the economic growth of Italy could not rely on just four or five large cities. Experiments are taking place in Italy in networking small towns to promote as a single unit for development e.g. Franciacorta wine region in Lombardy.

The development of high speed rail lines in Italy has meant that ‘excluded’ areas with few links to the high speed network and there is a need to develop intermediate connections to the high-speed rail network. Another area of focus is a stronger emphasis on the industrial development of ports and increasing their tourism potential.

In the case of Italy, who decides what the priorities should be and what level should these decisions be taken? Decisions taken require planning and projects and synchronisation is often complex as well as a need for good quality projects fitting into a more integrated approach that is more supportive for smaller towns.

The state has to plan...

Aglaia Murgia, Head of Unit from the Italian Agency for Cohesion noted that cohesion policy had a high leverage factor but there was a concern regarding EU funding of future transport projects post-2020. Using EU funding for transport infrastructure means that the state has to plan and so national planning is needed. This then begs the question regarding the level of subsidiarity and how to integrate public and private funding and structures.

Integrating south-east Europe

Marink Ajduk, Ministry of the Sea from Croatia gave an overview of some of the 32 Connecting Europe Facility projects in Croatia and the TEN-T Mediterranean corridor that goes through Croatia³. He noted that the Adriatic-Ionian corridor was important for the integration of south-east Europe especially as the railway system in south-east Europe was seriously under-developed. There was a need to include Croatian ports

³ <http://ec.europa.eu/transport/infrastructure/tentec/tentec-portal/map/maps.html>

into the motorway of the sea and highlighted the importance of the development of the LNG terminal on the island of Krk.

New guidelines for Italian ports...

Andrea Ferrante, Coordinator of Ports Commission, Italian Ministry for Infrastructure and Transport argued that there was need for a more integrated vision for Italian ports few of which were included in TEN-T corridors. There was a need connect ports to the TEN-T system and new Italian guidelines for ports have just been developed. These guidelines take into account a range of European strategies including the EU 2020 Strategy, the EU's Maritime Spatial Strategy⁴ as well EU urban agendas and ESPON studies such as ESatDOR.⁵

The guidelines propose the development of port master plans for fifteen ports in Italy and this will open up new debates on governance, coordination between cities and ports and national government.

Concerns of insularity for Greek islands

Athina Foka, Director of Executive NSRF Structure for the Ministry of Maritime Affairs and Insular Policy, Greece reminded the audience that the accessibility of islands was a key issue for Greece. Accessibility was also connected to a range of strategies from Europe 2020, smart specialisation, blue growth and integrated maritime policy⁶ (IMP) which seeks to provide a more coherent approach to maritime issues, with increased coordination between different policy areas. The IMP focuses on issues that do not fall under a single sector-based policy and issues that require the coordination of different sectors and actors. Specifically it covers these cross-cutting policies: blue growth, marine data and knowledge, maritime spatial planning, integrated maritime surveillance and sea basin strategies.

For Greece, there is now much more interest in cohesion of the Mediterranean islands especially dealing with problems of insularity and strategic plans are being developed for maritime activities and ports which will encourage competition between ports. Therefore, ESPON studies in this area are needed to provide an evidence base for policy making.

Making islands more economically attractive

Maria Lekakou from the University of the Aegean introduced the 'EuroIslands'⁷ ESPON targeted analysis project. The project starts with the premise that an area that is not attractive for establishing competitive economic activities and attracting and retaining an active population will witness a reduction in its socio-economic base and overall viability. Hence the importance of reducing the insularity of Mediterranean islands

⁴ https://ec.europa.eu/maritimeaffairs/policy/maritime_spatial_planning_en

⁵ <https://www.espon.eu/programme/projects/espon-2013/applied-research/esatdor-european-seas-and-territorial-development>

⁶ https://ec.europa.eu/maritimeaffairs/policy_en

⁷ <https://www.espon.eu/programme/projects/espon-2013/targeted-analyses/euroislands-development-islands-%E2%80%93-european-islands>

which are lagging behind the rest of the EU27. Connectivity is a key issue for economic attractiveness from a business perspective but for the general population also identified health care and trip frequencies as a determinant of attractiveness.

The EuroIslands project has established Key Performance Indicators for maritime shipping based on the three A's: accessibility, affordability and acceptability. Following a public consultation, recommendations have been drawn up which include minimum island connections, multimodal transport systems, joint ventures between port authorities, determining amounts of compensation for subsidised lines and adapting unemployment benefits for seasonal workers. The project is also developing a 'connectivity index' for islands.

Transport planning a key part of the spatial plan

Lucienne Meilak, Director for Policy Development and Programme Implementation, Malta Ministry for Transport, Infrastructure and Capital Projects noted that we live in a fast-changing world where decisions today can have far-reaching cost implications. Strategies and plans are essential for transport where transport is linked to accessibility and accessibility is linked to economic activity.

Malta has no rail and no inland motorways and a very small TEN-T corridor of 22 kilometres. It also has a major problem of road congestion and the small size of the island also means limited hinterland space for the two main ports Valletta Grand Harbour and Marsaxlokk.

Malta has a transport strategy with eight guiding principles including creating a modal shift and an integrated approach to planning and design which will include harbour management and also a new focus on short sea shipping and cruise. Future projects include LNG bunkering, a new cruise liner terminal and sustainable inter-modal transport.

Final session

The final session of Conference brought together the final three speakers to look towards the future.

Transport is not the only game in town

Klaus Spiekermann from Spiekermann & Wegener Urban and Regional Research (S&W), Germany examined future scenarios for road and rail for 2030 and the comprehensive network up to 2050. While road and rail forecasts are relatively straightforward, scenarios for air depend on the future activities of regional airports and air connections⁸. Klaus Spiekermann reminded the audience that accessibility was a factor of connectivity and population and remarked that losing population (eastern Europe) would reduce accessibility but this will be compensated in parts of eastern Europe by transport investment.

⁸ The recent cancellations by Ryanair are a good example of unpredictability in air travel.

Rail investment will extend accessibility especially in south-west France and Spain. If regional airports expand then this is likely to increase accessibility in periphery areas. However, due to problems of the control of airports and airlines, depending on regional airports might be a risky strategy.

Accessibility is an essential location factor and this means that the TEN-T investments improving international, national and regional connectivity will play an important role not just for accessibility but also for territorial cohesion. Investment in high-quality (not necessarily high-speed) railways might bring enormous advantages for the regions affected.

In conclusion, transport is not the only game in town and comprehensive strategies are needed to develop attractive locations. High quality transport infrastructure and connections can only be one element of territorial cohesion.

Integrated planning essential

Pierluigi Coppola, Associate professor in Transport Planning at University of Rome “Tor Vergata” continued on the need to differentiate between accessibility and connectivity and integrated spatial planning and transport planning. Using the example of Rome, Pierluigi Coppola opened the discussion potential accessibility nuanced by accessibility for who or what with respect to whom. Accessibility must be linked to the opportunities afforded by place. Therefore, it is important to make sure that infrastructure is connected to land use with a stronger understanding between the two as in the London Strategic Plan⁹.

Future trends will include a stronger focus on metropolitan areas and the future role and impact of digital connectivity in improving accessibility. Also more attention needs to be given to the social dimension of accessibility especially regarding affordability. These trends will require future research especially around integrated policies for sustainable and balanced growth and a greater understanding of connectivity.

Developing a core network in Europe has budget implications

Frederic Versini , Deputy Head of Unit, Transport Networks, DG MOVE, European Commission reminded the audience that transport was not just a matter of connectivity but also of economic importance to Europe. Transport was around 9% of EU GVA, supported 20 million jobs and represented 13% of household expenditure across the EU. Machinery and transport equipment accounted for 40% of EU exports and transport services accounted for another 17%. Investment of 1% of GDP in transport infrastructure gives a 1.5% increase in GDP.

The key policy driver for transport in Europe is the TEN-T programme. The main objectives of the programme are to develop an efficient transport network that complements national networks and helps create an EU internal market, boosts economic growth, improves accessibility and connectivity for all regions in Europe and shape mobility patterns to increase mobility and reduce congestion.

⁹ https://www.london.gov.uk/sites/default/files/the_london_plan_2016_jan_2017_fix.pdf

Transport policy aims to develop a core network structured around nine multimodal core network corridors by 2030 and a comprehensive network by 2015 that will aim for accessibility of all regions. The core network develops around multi-layer corridors (local, regional, national and EU level) and the coordination is assured by eleven coordinators¹⁰ who develop work plans for the implementation of the corridors.

The Connecting Europe Facility (CEF) for Transport with a budget of €24.05 billion for 2014-2020 is the funding instrument to realise European transport infrastructure policy. It aims at supporting investments in building new transport infrastructure in Europe or rehabilitating and upgrading the existing one. The CEF Transport focuses on cross-border projects and projects aiming at removing bottlenecks or bridging missing links in various sections of the Core Network and on the Comprehensive Network, as well as for horizontal priorities such as traffic management systems. CEF Transport also supports innovation in the transport system in order to improve the use of infrastructure, reduce the environmental impact of transport, enhance energy efficiency and increase safety.

There are clear economic benefits in investing in transport infrastructure and the total planned investment on the nine Core Network Corridors from 2016 until 2030 amounts to €607 billion. Investments needed from 2016 until 2030 for realising the core network in its totality are expected to amount to roughly €750 billion. Thus it is clear that transport infrastructure is a clear budget issue and scenarios are being developed for the future EU budget 2021-2027 which include a more efficient and integrated network and greater use of financial blending (mix of public and private finance).

Vincenzo Donato, Head of Department for Cohesion Policy, Presidency of the Council of Ministers, Italy drew the conference to a close and picked up on some of the key messages of the day such as the economic importance of the efficient movement of goods and services. Input from both the public and private sector is needed to avoid congestion and to find the investment needed to retain and improve the system.

This means a strong role for cohesion policy in transport planning and countering the effects of a two-speed Europe. Italy is now creating special economic zones to develop logistic hubs to streamline procedures. The impact of these measures must be judged over several years.

Future planning also needs to be more citizen-focused and help bridge the gap between the citizen and the EU and to help all regions of Europe to compete.

¹⁰ https://ec.europa.eu/transport/themes/infrastructure/news/2015-05-28-coordinator-work-plans_en