Showcasing Single Market problems – in the absence of EU legislation

April 2023

Transport infrastructure and systems

This paper concerns inadequate or missing cross-border transport infrastructure and electronic systems. While (partial) frameworks exist, progress towards a complete and frictionless EU-wide transport infrastructure network remains slow.

CONTEXT

Europe's transport network lies at the heart of the EU Single Market as a key enabler for the free movement of people, goods, and services. The efficiency of transport services and the interconnection between all modes directly affects the impact on the environment, cross-border value chains, and the competitiveness of EU industry as a whole.

Nevertheless, businesses experience that Europe is not yet fully connected. In particular Europe's transport infrastructure network does not deliver. In many places, cross-border connections are inadequate (insufficient capacity) or completely missing, and often national digital systems or physical requirements are not compatible.

LEGAL FRAMEWORK

- **Trans-European Transport Network** (TEN-T) policy is set out by the TEN-T Guidelines, defining, *inter alia*, the setup of the network, the infrastructure requirements and its governance. At the end of 2021, the European Commission proposed revised guidelines to address the missing links and modernise the entire network in light of ongoing trends such as decarbonisation and digitalisation. The main funding instrument at EU level is the Connecting Europe Facility (CEF). Grants offered through CEF should continue to be the cornerstone of the EU investment policy for the transport sector, and it is therefore positive that the Commission has suggested an additional EUR 1.5 billion in the renewed MFF 2021-2027 to boost trans-European infrastructure through CEF.
- In the framework of the revision of TEN-T, the Commission has proposed the acceleration of the deployment of the **European Rail Traffic Management System** (ERTMS) to ensure all rail infrastructure on the TEN-T core network is equipped with ERTMS by 2030, and on the comprehensive network by 2040.
- The **Single European Sky** (SES) has been developed based on various legislative packages aiming to make EU airspace less fragmented and modernise Europe's air traffic management system in terms of operation, technology, control, and supervision. After negotiations in the Council stalled on the 2013 revision of the SES (SES 2+), the Commission published an amended proposal in 2020.

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Showcasing Single Market problems – under existing EU legislation

- **Airport capacity** and infrastructure are essentially a Member State competence. EU action in this area seeks to find common solutions and support national efforts where appropriate. The EU Observatory on Airport Capacity and Quality serves as a forum bringing together stakeholders and Member States.

EXAMPLE

In 2017, the "Rastatt Incident" clearly demonstrated the fragility and static nature of the EU's transport network. A highly used section along the Rhine-Alpine rail freight corridor (connecting the Ports of Amsterdam/Antwerp/Hamburg with Italy/Switzerland) was closed for seven weeks after a tunnel collapsed. It caused severe disruption as alternative routes were inadequate. It has been estimated that the interruption resulted in approximately EUR 2 billion in damages: EUR 969 million for rail freight operators, EUR 771 million for manufacturing industries, and EUR 308 million for other industries such as infrastructure managers. The incident clearly demonstrated the importance of improving interoperability and capacity of the EU's overall transport network.

HOW TO ACHIEVE BETTER RESULTS

All modes of transport (air, rail, road, maritime) need to become increasingly interoperable as they can offer more efficient transport solutions in combination. Considering the expected increase in demand for transport services, progress is urgently needed on Europe's transport infrastructure network.

- The **TEN-T** must be completed on time[1], with a focus on infrastructure projects with the highest EU added value. Moreover, better alignment is needed with other policy objectives in the sector, such as decarbonisation and the digital transformation.
- The ambitions for and availability of **safe and secure parking areas** for trucks needs to be improved to ensure that transport operators can comply with binding provisions on resting times under Mobility Package 1. Today, around 100.000 parking areas are still lacking for heavy duty vehicles.[2]
- The **ERTMS** deployment must be accelerated. Only 10% of TEN-T core network corridors that must be equipped with ERTMS by 2030 have been put into operation.
- The **Single European Sky** needs to be completed as a priority and effectively implemented. Modernisation and interoperability will increase connectivity, allow for more efficient air transport and lower CO_2 emissions in the sector.
- **Airport capacity** is set to become a major challenge for air transport in the coming years, with a predicted 8% capacity gap in 2040[3]. Obstacles such as planning issues and inefficient airport processes must be addressed.

CONTACT INFORMATION

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[1] The TEN-T core network must be completed by 2030, the extended core network by 2040, and the comprehensive network by 2050.
[2] European Commission (2019), *Study on Safe and Secure Parking Places for Trucks*.
[3] Eurocontrol (2018), *European Aviation in 2040 - Challenges of Growth.*