OLSZTYN DECLARATION





2nd ANNUAL CONFERENCE of the NEEBOR Network

NEEBOR regions towards better European integration

6-7 September 2007 in Olsztyn, POLAND

Recommendations to the European Commission and to the Member States on the development of transport infrastructure in the eastern external border regions of the European Union

Following the 2004 and 2007 enlargements of the EU, the Union increased its territory by 20% and its border has shifted towards the east. The new EU eastern border is shared by over 40 regions in twelve Member States: Finland, Estonia, Latvia, Lithuania, Poland, Slovakia, Hungary, Romania, Bulgaria, Slovenia, Greece and Cyprus.

In 2005, these regions came up with a common initiative to establish the Network of Eastern External Border Regions - NEEBOR. The mission of the NEEBOR Network has been to improve the visibility of this part of Europe, to promote understanding of the specific conditions in eastern external border regions and to foster their socio-economic development. The motto of NEEBOR has been to promote the spirit of good neighbour relations and its main objective has been to contribute to the realisation of a sound regional policy based on solidarity.

The NEEBOR regions are faced with similar challenges rooted in the past political and economic experience. The successive enlargements of the European Union, in particular the 2004 and 2007 ones, have brought a paramount change in the situation of the eastern border regions. The membership in the EU opened access to tailored regional development policies and funding mechanisms aimed at stimulating economic growth and social cohesion.

However, the enlargement also brought to the light the stunning differences in prosperity levels between the Union's most developed regions and those lagging behind. Unfortunately, many of the eastern border regions figure in the second category.

The aim of this position paper is to highlight the outstanding problems in the eastern external border regions with emphasis on transport infrastructure. Subsequently, recommendations will be made as to policy measures to remedy the existing and potential transport challenges.

Section 1. Description of the current situation with emphasis on the state of transport networks in the eastern border regions of the EU.

Area

Geographically, the NEEBOR regions are situated along the eastern border of the EU stretching from the Barents Sea to the Mediterranean Sea. The NEEBOR regions share border with candidate countries (Croatia, FYROM and Turkey), potential candidate countries in the Western Balkans and countries covered by the EU neighbourhood policy (Russia and the Kaliningrad District, Belarus, Ukraine and Moldova).

The natural conditions in the NEEBOR regions are very diverse: they vary from lowlands, through highlands and mountains. Some of the regions have coastal zones providing them with access to the sea. A number of the NEEBOR regions have very well developed structure of inland water routes, including rivers, likes and canals.

The main common feature of these regions is the peripheral situation in their respective countries, and even more so with respect to the central regions of the EU.

Population

With few exceptions, the eastern border regions are characterised by low population density. In most of the area the population density is well below the EU27 average. The proximity to the border contributed to ethnic diversification of the local population. The presence of national minorities originating in adjacent countries is a typical feature. The multiethnic character of the population has been a rich source of cultures and traditions in these regions.

With regard to the dynamics of the population size, in the past decade, a number of the eastern border regions, particularly in the new Member States, have experienced considerable outflow of population, be it within the country or abroad. The group most prone to emigration are young people who emigrate for educational and work related purposes. The age structure shows an increase in the number of older people and decreasing share of children and people in economically active age. These phenomena pose serious threat to the development of the regional economies.

The environment

The NEEBOR Members attach great importance to their generally very well preserved natural environment, which constitutes an important asset of these regions. Many of the NEEBOR regions have a high percentage of protected areas covered by the Natura 2000 sites. Due to the low share of industry in the regional economies and relatively small share of urban areas the environmental pollution is very limited.

The NEEBOR Members see the need to strike a fair balance between the development of transport infrastructure linking remote and peripheral areas and the preservation of the environment. In this context, the environment impact assessment should guarantee that transport routes are constructed without prejudice towards the natural environment. Whereas the priority should be given to the most environmentally friendly modes of transport, it is important not to neglect the interest of populations in remote areas.

Economy

With few exceptions few exception (including Finish regions), the overall level of economic development in the NEEBOR regions is very low compared to the EU27 average. In most cases, these regions are less developed than the central and western regions in their respective countries. Another indicator of low economic development is the high level unemployment rate which prevails in a number of eastern border regions.

As for the type of economic activity, the share of agricultural production is relatively high in most regions, while the industrial sector tends to be less developed. The entrepreneurial activity is low in most of the external border regions. The development of the services sector is clearly growing in all border regions. Many eastern border regions take advantage of their natural conditions in order to develop tourism.

The conclusion can be drawn that the economic development in most of the NEEBOR regions is hindered by the lack of adequate transport infrastructure – a lifeblood of regional economies.

Transport infrastructure

With regard to accessibility, the eastern external border regions are the most peripheral regions in the European Union. These regions have in general very poor transport linkages with the neighbour regions in their country and the rest of the EU. A limited number of cross-border points with non-EU countries as well as visa requirements constitute a communication barrier with non-EU regions. The density of road transport networks is very low. Similarly, the density of the railway network is very low and the transport services by this mode of transport are not sufficiently developed. Very few of the external border regions are accessible by air transport or by the sea. The inland water transport has a huge potential, however it has not been widely used so far. Many air transport linkages have been lost recently and the risk of loosing further more is currently present.

The lack of adequate transport infrastructure has a direct bearing on the socio-economic development of border regions. Giving the prevailing conditions of remoteness from national capitals and growth poles and insufficient knowledge infrastructure, these regions find it difficult to implement the innovativeness objectives set in the Lisbon Strategy. The accessibility issue is crucial when attracting new businesses, entrepreneurs and industry and services. With the exception of some web-based companies, lack of adequate infrastructure is very relevant when taking decisions on establishment. As a consequence, the growth potential inherent in the border regions is blocked and not used.

Functional and efficient transport infrastructure is an indispensable element of growth and competitiveness in the eastern regions. Efficient transport contributes to attracting investment and economic growth. For this reason, the development of transport infrastructure and stimulating citizens' mobility feature among the core objective in all the regional operational programmes of the NEEBOR regions for the period 2007-2013.

Position of the European Parliament on EU transport policy

The European Parliament in its recent report of 15.05.2007¹ underlined the vital role of interconnected transport infrastructure in building the single market in transport services. The Parliament recalled the need"(...) to secure the necessary cross-border permeability and applying specific measures to alleviate geographical handicaps of the (..) countries on the Union's external border². In addition, the Parliament stressed the importance of transport policy for ensuring greater cohesion between the citizens and the significant risk to European economic growth from continued financial inaction as regards infrastructure.

The Parliament advocated the integration of transport policy into the Lisbon Strategy and incorporation by the Member States of recommendations on transport in the national plans³. The NEEBOR Members warmly welcome the proposal of the European Parliament and encourage the European Commission to implement these proposals.

In the light of the above, the Members of the NEEBOR Network present the following recommendations to the European Commission and the Member States concerned with a view to providing guidance on the specific needs of the eastern external border regions. The NEEBOR Members express their hope that these recommendations be taken into account by the European Commission when elaborating the guidelines for transport policy after 2010.

³ A6-0190/2007 final of 15.05.007, p4.

5

¹ Report from the European Parliament on Keep Europe moving – Sustainable mobility for our continent prepared by the Committee on Transport and Tourism, A6-0190/2007 final of 15.05.007.

² A6-0190/2007 final of 15.05.007. p.3.

Section 2. Recommendations to the European Commission concerning the future development of the transport networks.

- having regard to the Communication from the Commission on extension of the major trans-European transport axes to the neighbouring countries⁴,
- having regard to the Communication from the Commission on Trans-European Networks: towards an integrated approach to trans-European transport, energy and telecommunications networks⁵,
- having regard to the Report from the European Parliament on Keep Europe moving Sustainable mobility for our continent prepared by the Committee on Transport and Tourism⁶,
- having regard to the Communication from the Commission "Keep Europe moving
 Sustainable mobility for our continent mid-term review of the European Commission's 2001 Transport White Paper⁷,

Members of the NEEBOR Network present the following recommendations:

On trans-European networks

The Members of the NEEBOR Network:

- 1. welcome the European Union's commitment to the implementation of the TEN-T priority projects, which will greatly contribute to connecting some of the eastern external border regions with the hearth of the EU and thus providing a stimulus for their development;
- 2. welcome the priority projects of trans-European railway networks in the eastern part of the EU (the Nordic Triangle, the Rail Baltica axis, the railway axis Athina-Sofia-Budapest-Wien-Praha-Drezden/Nuremberg), which will give a way to modern, sustainable transport for passengers and cargo without putting constraints on the natural environment;
- 3. encourage the European Commission and European Investment Bank to swiftly implement their proposal to establish a new European guarantee instrument to help diminish the financial risk associated with the financing of the trans-European network projects and foster the formation of public-private partnerships for their implementation;
- 4. call upon the Commission and the Member States to elaborate more efficient coordination mechanism and financing schemes in order to streamline the implementation of the priority projects;
- 5. note that the priority TEN-T projects as defined in the Decision No 884/2004/EC⁸ leave out a great area in the eastern part of the EU, thus perpetuating the isolation conditions they are currently experience;

⁴ Communication from the Commission on extension of the major trans-European transport axes to the neighbouring countries – Guidelines for transport in Europe and neighbouring regions, COM(2007)32 of 31.01.2007.

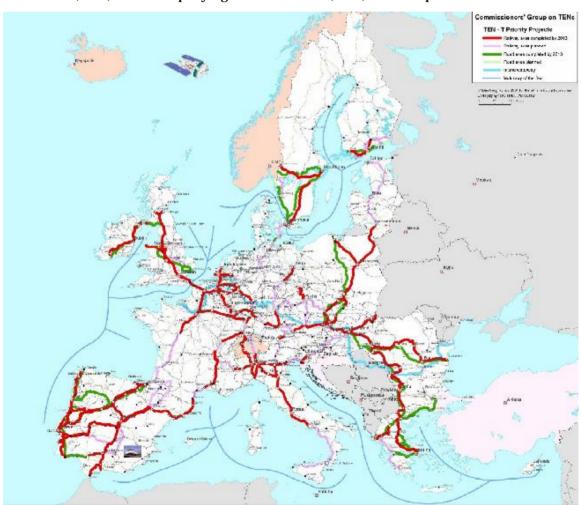
⁵ Communication from the Commission on Trans-European Networks: Towards an integrated approach, COM(2007)135 of 21.03.2007.

⁶ European Parliament Report on Keep Europe moving – Sustainable mobility for our continent, A6-0190/2007 of 15.05.2007, Rapporteur: Etelka Barsi Pataky.

⁷ Communication from the Commission "Keep Europe moving - Sustainable mobility for our continent" – mid-term review of the European Commission's 2001 Transport White Paper, COM(2006)314 of 22.06.2006.

- 6. call for greater synergies between the cohesion policy and the priority projects in trans-European transport networks;
- 7. call on the Commission to use the opportunity of TEN-T re-examining exercise scheduled for 2008to introduce more balanced map of trans-European network, which would incorporate the currently isolated regions i.e. Warminsko-Mazurskie Voivodeship, Lubelskie Voivodeship, Podkarpackie Voivodeships in Poland, Presov Region in Slovakia, the North-East Region in Romania, the South-East Region in Romania, the South Transdanubian Region in Hungary;
- 8. in line with the conclusions of the Commission's communication COM(2007)329, the Members of the NEEBOR Network encourage the European Commission to submit concrete proposals to extend the trans-European network to the neighbourhood countries.

Fig. 1 Commission group on TENs – overview of the TEN-T priority projects - projection in 2013. Source: Sec(2007)374 Accompanying document COM(2007)135 final p.4.



⁹ Communication from the Commission on extension of the major trans-European transport axes to the neighbouring countries COM(2007)32 of 31.01.2007.

⁸ European Parliament and Council Decision on Community guidelines for the development of the trans-European transport network, Decision No 884/2004/EC of 29.04.2004

On road transport

The NEEBOR Network:

- 9. invites the Commission and the Members States to coordinate the implementation of the national sectoral operational programmes on transport infrastructure to ensure that the external border regions are granted quality connections to the central regions in their respective countries during the 2007-2013 programming period;
- 10. calls upon the Member States and the Commission to elaborate plans granting access to the trans-European transport networks for these eastern border regions, which are currently omitted on the map of priority TEN-T project; the NEEBOR regions ask for this issue to be addressed in the medium term.

On rail transport

The NEEBOR Network:

- 11. underlines the value of the railway networks as an example of environmentally sustainable mode of transport, which has the potential of greatly reducing the harmful impact of the road transport on the environment;
- 12. regrets that the railway transport is not sufficiently developed in the eastern regions;
- 13. encourages the European Commission to promote the development of railway networks in the eastern border regions;
- 14. invites the Member States to improve the quality of interregional railway networks;
- 15. calls upon the Member States to prevent the degradation of intraregional railway connections. An efficient intraregional railway infrastructure is of utmost importance to stimulate citizens mobility by enabling them to commute to work to regional urban centres. The NEEBOR regions call upon the Member States to uphold the obligation to ensure this universal service of general interest;
- 16. encourages the Member States to follow the recommendation of the European Commission on combining rail and road links in order to make better use of space, joint engineering structures and lower impact on the landscape¹⁰. The NBEBOR regions are committed to embrace the implementation of combined infrastructure in order to reduce costs and the environmental impact of transport.

On inland water transport

The Members of the NEEBOR Network:

17. underline the importance of inland water linkages in the eastern regions as a way to promote a mode of transport that is least harmful to the environment, with substantially lower energy consumption and CO₂ emissions;

 $^{^{10}}$ Communication from the Commission on Trans-European Networks: Towards an integrated approach, COM(2007)135 of 21.03.2007

- 18. welcome the measures envisaged in the NAIADES Action Plan to promote inland waterways and exploit its commercial potential;
- 19. call on Member States to use the existing potential in order to develop a functional system of inland waterborn connections, which could partially compensate for the absence of fast track road linkages in the external border regions;
- 20. call on all the relevant parties to ensure that the newly developed links are in compliance with the EU legislation on noise, water and protection of fauna and flora:
- 21. highlight that inermodality offers an optimal use of the existing transport linkages in terms of financial cost and environmental impact;
- 22. encourages the Member States to contribute to implement the innovative system of intermodal transport networks, which would combine road, rail and waterborn transport modes; in this regards, NEEBOR welcomes the continuation of the Marco Polo programme over the 2007-2013 period.

On maritime transport

The NEEBOR Network:

- 23. welcomes the Commission's intention to propose a framework for the European maritime policy, and in particular the integrated maritime transport strategy accompanied with a port policy;
- 24. welcomes the adoption of the Motorways of the see projects, in particular in the Baltic Sea and in the Mediterranean Sea;
- 25. encourages the Member States to actively pursue the realisation of the Motorways of the seas projects, by spending every effort to coordinate their actions with a view to effective and timely implementation;
- 26. calls on the Commission and Member States to support the revitalisation and modernisation of ports in the eastern part of the EU, including ports with access to the Baltic Sea and the Mediterranean Sea.

On air transport

The NEEBOR Members:

- 27. note that regional airports constitute a valuable alternative to road transport; the advantages include lower impact on the environment with relatively low investment needed for building the infrastructure;
- 28. call on the Commission to support the development of regional airports, which have the potential of opening up the regions to the external world and stimulating their accessibility and economic growth.
- 29. call on the Commission to help the regional authorities develop guidelines on financing regional airports from Community funds, so as to put it in line with the EU rules on competition, State aid, environmental protection and other relevant provisions

Transport links with non-EU regions

Finally, the cross-border dimension of the NEEBOR Network should be underlined. The ambition of NEEBOR is to strengthen links between EU border regions and to promote cooperation with the regions from across the EU eastern border. The latter type of cooperation has a longstanding history. It has been developed, at times, in spite of strained relations between central governments on both sides of the border. This cooperation has sprung in areas such as trade, health services, education, cultural exchanges and others. The good relations between EU and non-EU regions are of utmost importance in preventing the emergence of new dividing lines.

In this regard, the NEEBOR regions

- 30. welcome the territorial cooperation objective for cooperation among EU regions;
- 31. welcome the new Pre-Accession instrument with a view to supporting the cooperation between EU regions and regions in candidate countries and other Western Balkan countries;
- 32. welcome the new European Neighbourhood and Partnership instrument, which will provide financing for common regional projects with other non-EU eastern neighbours as partners;
- 33. encourage the Member States and the European Commission work hand in hand with the regional authorities in the programming process, particularly in the framework of the Neighbourhood and Partnership Policy;
- 34. encourage the European Commission to represent the interests of member states and regions situated along the eastern external border of the EU in the contacts with the neighbouring countries.
- 35. urge the European Commission to streamline the programming process with a view to making the European Neighbourhood Instrument fully operational in the coming months;
- 36. call on the Commission to ensure wider use of the instruments available to promote common transport links between EU regions and the neighbouring countries. Although cross-border cooperation programs rarely provide funding for building infrastructure, this framework should be used to prepare the ground for infrastructure projects of common interest. It should lay ground for the first steps such as formal agreements on establishing transport links, undertaking the necessary research and preliminary studies.
- 37. call on the Commission to submit proposals on integrated financing of infrastructure projects of common interest linking Member States' regions and non-Member States regions.

Section 3. Concluding remarks

The EU cohesion policy plays a fundamental role in brining in the structural change of regional and local economies by stimulating employment and growth. We trust the above guidelines will inspire the policy makers and decision makers to use the Community and national funds for developing transport infrastructure foreseen for 2007-2013 in the best possible way so as to contribute to a better integration of the eastern border regions with the heart of the EU as well the hearth of the EU to the neighbouring non-EU regions and countries..