



Transport infrastructure : TEN-T Regulation review

KEY MESSAGES

- BusinessEurope supports the defined scope and objectives of the revised TEN-T Regulation but urges to add smooth functioning of the Single Market and the mobility of European citizens to them, as addressing the missing links – in particular at cross-border sections in the Single Market – remains key.
- We support the introduction of a 3-layer approach and urge to give the coordinators of the TEN-T corridors effective powers to implement the agreed TEN-T plans as well as resources needed to monitor the necessary cost-benefit analyses.
- Consistency with related proposals, such as for the revised ITS directive, Alternative Fuels Infrastructure regulation (AFIR), FuelEU Maritime and ReFuelEU Aviation is imperative. Likewise, links between the infrastructure planning (TEN-T), European funding (CEF II) and technical parameters (TSIs) should be ensured.
- BusinessEurope supports the introduction of the European Transport Corridors and the integration of passenger and freight modes of transport.
- The TEN-T framework could additionally provide for a possibility for Member States to actively use the “regulatory sandboxes” to test innovative transport infrastructure uses.
- BusinessEurope underlines that the TEN-T Regulation ambitions should be matched by adequate EU and national financing, which is not yet the case.

COMMENTS

Introduction

On 15 October 2021, in BusinessEurope’s [comments on the TEN-T revision before its publication](#), we stressed that the Trans-European Transport Network is proving to be of fundamental importance in terms of safety and economic and environmental sustainability. We published our key messages for the TEN-T revision around a few major themes:



- adapting infrastructure to the *future* mobility needs,
- the *urgent* investment needs to fill in the existing investment gap, and
- *efficient delivery* on the TEN-T development objectives.

BusinessEurope also [commented](#) on a public funding support from the European Investment Bank during the public consultation on its Transport Lending Policy, stressing that the ambitious climate goals require a massive overhaul across *all modes* of transport, as all of them have the potential to contribute to those goals. Therefore, we prioritised the *cross-cutting (horizontal) challenges* to be addressed:

- connectivity,
- digitalisation and automation,
- doing no significant harm to environment,
- resilient infrastructure, and
- resource efficiency.

BusinessEurope builds on its messages and presents the position of its members on the now proposed legislative [initiative revising the TEN-T Regulation](#).

General principles

BusinessEurope **supports the defined scope** of the Regulation in its Article 2, which includes the alternative fuels infrastructure and the ICT systems for transport among others. However, we consider that the underlying message in the proposal's objectives under Article 4(1) could be reinforced by adding that "The overall objective of the development of the trans-European network is to establish one multimodal Union wide interoperable network of high-quality standards **that ensures smooth functioning of the Single Market and the mobility of European citizens**". BusinessEurope reiterates that the TEN-T network must be considered as lifeline which must remain open and operational, enabling the efficient and sustainable cross-border transport of goods and passengers (also during crises periods).

The proposal of the TEN-T Regulation is crucial to enable the transition to sustainable transport and achieve the objectives of the European Green Deal and Smart and Sustainable Mobility Strategy. BusinessEurope considers that an opportunity to improve the efficiency of governance tools of the TEN-T Regulation should not be missed. Overall, **BusinessEurope supports the TEN-T Regulation objectives** as spelled out in Article 4(2).

BusinessEurope welcomes the Commission's proposal to pursue efficiency objectives by removing **infrastructure bottlenecks** but also, specifically, **bridging the missing links** (Article 4(2c-(i))), as missing links on the TEN-T Network, in particular on cross-border sections, cause delays in the completion of TEN-T. A special boost for **bottlenecks in urban nodes and congested metropolitan areas** is needed. These are some of the key asks of BusinessEurope. The **timely completion of the ongoing projects** is also essential in order to meet the objectives of the TEN-T policy.

In terms of ensuring the **interoperability** of national, regional and local transport networks, we stress the importance of a **unanimous backing from Member States** in order to achieve



the efficiency and Single Market goals. It is worth drawing the attention to the fact that in negotiations on some other related legislative acts, such as the NIS-2 Directive on cyber-security, we note with concern that Member States seek many opt-outs which might undermine the overall policy objectives.

More generally, consistency across the TEN-T Regulation proposal and initiatives on trans-European energy and telecommunications networks (as referred to in Article 5(1f)), data, AI and cyber-security is of utmost importance.

BusinessEurope stresses the importance of adherence to the better regulation principles when defining the principles of project planning and development. We express **the concern on retro-active application of the “do no significant harm” principle**, as Article 5 (3) requires the assessment of compliance with the latter for all the projects of common interest that may already be on the way upon the entry into force of the revised TEN-T Regulation. This might cause undue delays.

BusinessEurope highlighted the importance of timeline for the TEN-T completion. We therefore **support the introduction of a 3-layer approach** with respective deadlines of 2030 for the core network and 2040 for the extended core network; we insisted that 2050 be the very latest date for completion of the comprehensive network, therefore we note with concern that the deadline is moved to the very last “second” of 31 December 2050. We consider that **the EU should push Member States to commit to faster development of the network**, inter alia by **giving the coordinators of the TEN-T corridors effective powers** to implement the agreed TEN-T plans. However, it is crucial that the dialogue with industry is upheld and ensures necessary cost-benefit analysis.

The proposal for the revised TEN-T Regulation introduces a number of additional requirements for the transport sector. BusinessEurope believes it is crucial that these requirements come hand in hand with sufficient financing, public or private, and substantive improvements in governance to ensure the timely completion of the TEN-T networks. To this end, **the next EU financial framework should still cover TEN-T infrastructures beyond the current 2021-2027 budget**, including the Connecting Europe Facility.

Article 9 on cooperation with third countries is important in terms of the Union’s growth perspectives, its dependencies on certain supplies as well as an overall strategic role. While accomplishing the TEN-T network the EU should not be distracted or disperse scarce resources for the third-country projects, BusinessEurope **supports a clear vision on stronger links with selected trading partners**. We welcome the European Commission’s proposal for indicative maps with third neighboring countries with the intention to extend the TEN-T policy to these countries. We note however that the objective under Article 9 (1a) may be the least important among the list from (a) to (h) in that article, as we suggest **focusing primarily on practical objectives serving the EU economic and supply security interests on the basis of ex-ante cost-benefit analysis**. Any projects that benefit third countries should be branded under the EU Global Gateway. Finally, the EU should **consider the Belt and Road Initiative in its TEN-T corridor studies** and co-operate with China where relevant to determine priority corridors, so that possible bottlenecks are prevented.



General provisions

The TEN-T Regulation proposal should be unconditionally consistent with the proposal on the deployment of alternative fuels infrastructure (AFIR) to avoid confusion of categories and respective criteria of financing. **Compatibility with the ambitions in related proposals**, such as for deployment of ITS services under the revised ITS directive proposal, roll-out of alternative fuels (AFIR), FuelEU Maritime and ReFuelEU Aviation is imperative. However, BusinessEurope notes the importance of certain degree of flexibility needed, so that Member States are not forced to make investments in transport (or energy) infrastructure that **risk ending up as a market failure and remaining unused 'stranded assets'**.

BusinessEurope acknowledges that the proposed adaptation of the TEN-T objectives in Article 12, with the greenhouse gas emission reduction as the first priority, is fully in line with the EU's climate law. The same goes for the focus on a seamless and competitive rail network in Article 13.1 a) and b), in line with the objectives set in the Smart and Sustainable Mobility Strategy in terms of the traffic growth for rail. We **support these objectives**.

Article 12 could more explicitly state that **construction of new infrastructures**, notably to increase the capacity for more sustainable modes of transport as spelled out in Article 12 (1 (a)), is key for the completion of the TEN-T network. We would also argue that some devices on vehicles, required by changes on the infrastructure, should be recognised and supported as part of that infrastructure in Article 14 (e.g. onboard units for ERTMS/ETCS).

Finally, in order to have a consistent framework overall, efforts to ensure **links between the infrastructure planning (TEN-T), European funding (CEF II) and technical parameters (TSIs)** are essential.

Specific provisions

BusinessEurope supports the development of a high-performance **rail** passenger network, fully interoperable and at high speed, connecting urban nodes across the Union and especially all capitals and major cities in Europe. The Smart and Sustainable Mobility Strategy sets ambitious targets in terms of high-speed network: doubling high-speed rail traffic by 2030 and tripling it by 2050. Rail freight faces also ambitious targets: rail freight is expected to increase by 50% by 2030 and double by 2050. The TEN-T policy must support the achievement of these targets.

BusinessEurope welcomes the references to rail freight terminals and multimodality in the proposed TEN-T Regulation. The focus on multimodality and interoperability of all transport modes is paramount to the objectives of the TEN-T policy. Further integration and better definition of urban nodes, clear identification of existing and additional multimodal freight terminals, and providing better connectivity, for instance between rail and ports, are crucial elements which should remain in the revised TEN-T Regulation. Smooth connections to ports are essential both in the EU and third countries, as integrated and effective connections between sea gates and rail corridors in their hinterlands and forelands are needed.

BusinessEurope also supports an increased role of Coordinators, especially on European Rail Traffic Management System (ERTMS). The deployment of this system could be dramatically



accelerated, compared to the past 20 years with less than 10% of the core network equipped with the system, though differences in the ERTMS deployment across different corridors also remain significant. Large scale projects, such as this one, require a dedicated and commensurate funding with efficient governance, both of which need substantial improvements.

However, we would also favour more flexibility in terms of compliance with *all* the requirements of the *complete* infrastructure (Article 14). All service facilities or last mile connections would need to install ERTMS and be electrified with overhead catenaries, something which is not operationally required (ERTMS is designed to operate trains safely at 300kph+, while trains move at 5-10kph in service facilities) or always possible (electrification requires the physical space to install sub-stations and pillars). Such an inflexible framework would lead to economically unsound investments.

A more flexible process should also be considered for the overall electrification requirement. As such, TEN-T and AFIR could set a comprehensive decarbonisation path for the rail transport:

- TEN-T through the overhead line electrification as principle, with possible exemptions when that is not the most economically sustainable or technically feasible option,
- AFIR by setting a requirement for the decarbonisation strategy for the non-TEN-T part of the rail network, without mandating the use of specific technologies.

Finally, to boost digitalisation, automation and innovative solutions in the TEN-T policy in general, the TEN-T Regulation should support the development of Digital Automatic Couplings (DACs), 5G, and Digital Capacity Management. Overall, ensuring consistency between infrastructure planning (TEN-T), European funding (CEF), technical parameters (TSIs) is crucial.

As far as the **road** transport infrastructure is concerned, BusinessEurope considers that the proposal for TEN-T revision **does not sufficiently address the challenges related to safe and secure parking and rest areas for trucks**. A higher level of ambition is necessary, and the implementation date of the proposal set to 31 December 2050 is insufficient and hardly leading to any immediate improvements for drivers in the road haulage industry.

In this relation, adaptation between the proposals for TEN-T and AFIR is necessary to ensure that **binding targets are in place for the minimum number of charging stations at each safe and secure parking and rest area by December 2030**.

BusinessEurope supports the provisions on development of **urban nodes**, however considers that the number of urban nodes currently identified under the TEN-T proposal is still relatively small. This would implicitly reduce the level of ambition of the European Commission's proposal on alternative fuel infrastructure (AFIR), which identifies urban hubs as key targets for this type of infrastructure. Although the TEN-T proposal increases the number of hubs, it is far from sufficient to have a significant impact on the alternative fuel infrastructure needed for vehicles entering or crossing EU cities.



Therefore, we would **desire a more ambitious approach with the increased number of urban nodes and the location of infrastructure serving commercial vehicles identified more precisely** with references to modal and multimodal freight and logistics terminals, logistics hubs, proximity to major loading and unloading points, bus parking areas and terminals.

In addition, the TEN-T proposal seems to lack an accent on social and economic concerns as criterion of the sustainable urban mobility planning for urban nodes (the requirements under annex V are only environmental). The economic and the social pillars of sustainable urban transport need to be fully reflected in any future mandatory SUMP.

Provisions for smart and resilient transport

BusinessEurope supports the overall approach to ensuring resilience of the transport infrastructure through provisions of chapter IV.

Article 44 on new technologies and innovation could additionally **provide for a possibility for Member States to actively use the “regulatory sandboxes”** to test innovative transport infrastructure uses.

Article 46 on resilience of infrastructure could include a clause to take into consideration the necessity of **data exchanges from space-based (satellite) monitoring** with a respective coordination mechanism from the European Commission.

Participation of 3rd countries

Article 47 rightly addresses the risks related to the **participation of third countries** and BusinessEurope supports the approach. It largely mirrors Article 4 of the Regulation setting up and EU framework for the screening of Foreign Direct Investments and in a way **establishes the TEN-T own FDI screening mechanism**. On one hand, TEN-T projects were included in the Annex of the Foreign Direct Investment Screening Regulation, on the other hand Article 47 (1) of the TEN-T Regulation states: “This obligation shall not apply to foreign direct investments notified to the Commission and other Member States pursuant to Article 6(1) of Regulation (EU) 2019/452”, which, in conjunction with the criteria and procedure described later in this article, equals to the **extension of screening to all TEN-T projects**.

BusinessEurope considers that the **TEN-T Regulation should not install parallel procedures and requirements to those already applicable or proposed**, including not only the Foreign Direct Investment Screening Regulation but also the International Procurement Instrument or the Foreign Subsidies Instrument. It is particularly important to streamline the requirements spelled out in Article 47(2), as the ownership structure and value disclosures may well affect the European companies too. Moreover, Article 47 (2c-d) appears to be very wide in scope and hardly enforceable, especially with the notion of “business operations *affecting* the trans-European transport network”. BusinessEurope underlines that **the provisions should by all means be protectionism-proof, not to allow arbitrary decisions by Member States**.



In addition, we suggest that a **definition of “critical infrastructure” under Article 47 (4) should not be specific to this article alone** and thus, for legal clarity, be moved to the proposal’s Article 3 (definitions). It should also be ensured that the AFIR proposal reflects this reference.

European transport corridors, horizontal priorities

Articles 50-51 on the function and priorities of European Transport Corridors build on Article 4(2) and the modal shift approach by the European Commission, focusing on rail, inland waterways and short-sea shipping.

BusinessEurope **supports the introduction of the European Transport Corridors and the integration of passenger and freight modes of transport**. It will enable Member States to achieve a coordinated and synchronised approach with regard to investments in infrastructure.

Common provisions on delegation of powers to amend annexes

The proposal spells out the conditions of delegation of powers to the Commission for potential future amendments to Annexes I and II, limiting its room for manoeuvre and scoping infrastructure types for inclusion/exclusion in Article 56. BusinessEurope **supports a clear scoping of the Commission’s powers** and transparency of the process. We underline the necessity to always conduct a cost-benefit analysis through dialogue with businesses.