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Copy: Ministry of Enterprise and Innovation, Sweden, Swedish Transport Administration

Europaforum Northern Sweden's standpoint on the EU's future transport policy with a focus on revision of the CEF Regulation as well as reflections on development of the TEN-T-system

Europaforum Norra Sverige (EFNS) is a network for politicians at the local and regional levels from Norrbotten, Västerbotten, Jämtland Härjedalen and Västernorrland. EFNS is a meeting place and knowledge arena where EU policies are analyzed and discussed as regards how they affect northern Sweden. EFNS monitors European issues to influence EU legislation, the EU's strategies and action programmes and the EU's budget. The objective of EFNS is to safeguard the interests of northern Sweden both in the European arena and in relations to the national level in matters with a clear European perspective.

This position paper reflects EFNS views on the ongoing revision of the CEF Regulation for the period 2021-2027 as well as reflections on development of the TEN-T system based on needs and preconditions in the EFNS area.

EFNS POSITION IN SUMMARY

- EFNS recommends an extension of the Scandinavia-Mediterranean Core Network Corridor through northern Sweden to Narvik and the border passage at Haparanda-Tornio. The Corridor would then include the Bothnian Corridor in its entirety.
- EFNS emphasizes the importance of ensuring that the rail and railway sections E4, E10, East Coast line, Bothnia line, North Bothnia line, Iron Ore line and the Haparanda line and the Port of Luleå remain part of the Core Network in CEF2.
- EFNS considers the eligibility criteria entitling support from Motorways of the Sea should be revised to enable better connections between the core network and peripheral areas in northern Sweden.
- EFNS stresses the importance of a continued focus on classical infrastructure in CEF2 and on a high level of ambition in the budget for CEF transport post 2020.
- EFNS is of the view that the TEN-T methodology should be generally developed to include important parts of our transport system which today do not meet the criteria in the TEN-T methodology.
- EFNS intends to deepen our views on the design of the TEN-T system based on the needs and preconditions in the EFNS area.
- EFNS underscores the importance of EU cohesion policy which provides increased opportunities for investments in transport infrastructure.



BACKGROUND

Northern Sweden in TEN-T and CEF

Our region in northern Sweden has a long tradition of mining and forestry. The abundance of mineral and metal assets plays an important role for economic and social development. Norrbotten County represents 90 per cent of the EU's iron ore production and together with Västerbotten County carries on a considerable production of other valuable minerals and metals, for example copper and gold. The four northern most counties represent 53 per cent of Sweden's total woodland, which is also of major importance for the emergence of the bio-based economy and production of e.g. pulp and paper, sawn timber, biofuels and biomass.

The Port of Luleå, which is a TEN-T Core Port, constitutes an important node for connecting TEN-T's infrastructure. The Bothnian Corridor which stretches on both sides of the Gulf of Bothnia in Sweden and Finland is included in the TEN-T core network. The Bothnian corridor links the transport system in our regions with the Core Network Corridor Scandinavian-Mediterranean and North Sea-Baltic Sea, both on land through the border passage Haparanda-Tornio and at sea across the Kvarken straits between Umeå and Vasa, as well as on the Iron Ore line and on the Mid Nordic Corridor. These passages create an important basic structure for the European transport system and for transport of essential raw materials and other processed products to the European market. Investments in these sections comprise a crucial contribution to fulfilling the commitment Sweden has accepted in the framework for European transport cooperation in accordance with CEF and TEN-T.

Access to EU markets for raw materials in northern Sweden requires functional road, rail and sea links. The OECD Territorial Reviews study¹ for Northern Sparsely Populated Areas (NSPA) indicates the need for necessary infrastructure investments in both north-south transport routes to markets in the EU and also east-west transport routes to markets in Asia and westwards to the Atlantic and major international markets. This is also evident in the European Commission's DG MARE's report from the consultation on the Arctic, "*Arctic Stakeholder Forum*"². The greatest challenges today are a lack of reliability and robustness due to long single-track routes without the possibility of diversions, particularly on the main line through northern Sweden.

The most important parts of transport infrastructure in our region are included in the Connecting Europe Facility (CEF) as "Other sections on the core network", which are identified in annex 1 to the Regulation. On the other hand northern Sweden is today outside corridor cooperation in TEN-T. The absence of a core network corridor in northern Sweden, and hence the lack of a coordinated approach for financing transport infrastructure, could jeopardise the implementation of TEN-T's core network within the set time frame. This conclusion is also drawn in the Swedish National Audit Office's latest review report "*Road and rail investments in Sweden – is an EU perspective missing?*" (RIR 2017:27)³.

¹ OECD Territorial Reviews: Northern Sparsely Populated Areas: <http://dx.doi.org/10.1787/9789264268234-en>

² ASF-report <https://publications.europa.eu/en/publication-detail/-/publication/6a1be3f7-f1ca-11e7-9749-01aa75ed71a1/language-en/format-PDF/source-60752173>

³ <https://www.riksrevisionen.se/rapporter/granskningsrapporter/2017/vag--och-jarnvagsinvesteringar-i-sverige---saknas-ett-eu-perspektiv.html>



Road transport is a vital part of the EU economy, and measures are needed to make it more efficient, fair and with lower emissions of both local emissions as well as of carbon dioxide emissions. Each Member State shall adopt a National Action Program in accordance to 2014/94/EU (DAFI) for the development of infrastructure for alternative fuels in the transport sector. The geography of the region means that heavy traffic will be necessary as a complement to rail and shipping in the foreseeable future and today's dependence on fossil diesel makes the region vulnerable. The directive requires national targets to introduce new charging and filling stations for different types of clean fuels such as electricity, natural gas (including biogas) and possibly hydrogen, and should be in place between 2020 and 2030, depending on whether the roads belong to the Core or the Comprehensive networks. In northern Sweden, much of the necessary measures that are required according to the directive are missing, mainly in terms of development of infrastructure for gas and charging, both along the coast and in the inland.

The EU's long-term budget 2021-2027

Discussions are ongoing about future challenges, priorities and ambitions for the EU post 2020 as part of formulating the EU's multiannual budget (MFF) for the period 2021-2027. The package on the EU's multiannual budget including the proposal for a new CEF Regulation will be presented in May 2018. During the informal meeting of the Transport Council in Tallinn in September 2017, preparations for the next TEN-T/CEF budget for the period 2021-2027 were launched. An arrangement was also presented for the process for the development of the EU's future common transport policy which will be expressed in the upcoming review of TEN-T. A review of the CEF Regulation is ongoing at the European Commission's DG MOVE for the purpose of:

- 1) Defining the corridors
- 2) Establishing project lists

EUROPAFORUM NORTHERN SWEDERN'S POSITION

I. REVIEW OF THE CEF REGULATION

In the framework of the review of CEF, it will be possible to include core network sections which currently are not part of TEN-T's core network corridors. Member States who wish to extend the core network corridors on their territories with sections covered by "Other sections on the core network" must motivate why.

- EFNS stresses the importance of influencing the maps in CEF. To be included in CEF's maps is a precondition for entitlement to funds from CEF.
- EFNS is very positive that the most essential parts of transport infrastructure in our region are included in CEF as "Other sections on the core network".
- EFNS emphasises that a key issue for our region in the ongoing discussions and review of the CEF Regulation is ensuring that our regions remain part of the core network in CEF. EFNS therefore underscores how important it is that in the negotiations between the Swedish national level and the European Commission DG



MOVE, it is ensured that the rail and railway sections in the core network, E4, E10, the East Coast line, the Bothnia line, the Norrbotten line, the Iron Ore line and the Haparanda line as well as the Port of Luleå remain parts of the core network in CEF.

- It is important to EFNS that the TEN-T Core Network Corridor Scandinavian-Mediterranean be extended through northern Sweden to Narvik and the Haparanda-Torneå border passage in order to include the Bothnian corridor in its entirety.
- EFNS recalls that the extension issue refers to a technical extension of a core network corridor that already extends through Sweden, however at present only up to Stockholm, and in itself does not impact on the budget. The only budget impact concerns the sections that are already in the core network and for which the Swedish state has a commitment to complete not later than 2030.
- EFNS would like to draw attention to the fact that there is a major risk that our road and railway sections in the core network and other objects that are today included in CEF's "Other sections on the core network" may be excluded if active efforts are not made in the negotiations for an extension of the core network corridor. EFNS therefore underlines the importance that the parties uphold that which was previously subject to negotiation in the core network north of Stockholm by ensuring in the negotiations that our road and railway sections, and other objects too, remain parts of the core network.
- EFNS considers it essential that Sweden is in harmony with Finland and Norway regarding the extension issue. During the visit of Pat Cox to Kiruna in June 2015, the Norwegian government delivered a letter in which it expressed its support for the Swedish government's possible claim for an extension of the Scandinavia-Mediterranean core network corridor northwards and on to Narvik. In Finland the government has already entered into negotiations with the European Commission on its views on the upcoming CEF2 and the Finnish Minister of Transport has long clearly wanted to see an extension of the North Sea-Baltic Sea core network corridor on the Finnish side, gladly in cooperation with Sweden, and a parallel extension of the Scandinavia-Mediterranean core network corridor on the Swedish side.
- EFNS declares our desire to cooperate with the EU institutions and the national authorities both in the upcoming negotiation process and in the subsequent implementation of TEN-T and CEF.

The regions of EFNS have a transport system that needs to be developed in both north-south and east-west directions. The challenge today is to secure connection to and from this system. It is justified in view of the large volume of goods that our region feeds into the transport system, mainly the railway system, and which has a major impact on the flows on the core network corridor between Scandinavia and the Mediterranean. An extension north of this corridor would bring advantages for European, national and regional development from several perspectives:

- **Geopolitics**

Pat Cox, coordinator of the ScanMed Corridor writes in recommendations and perspectives for the future direction of the Scandinavia-Mediterranean Core Network Corridor: "*However, taking into account geopolitical developments, a future extension of the corridor cannot be excluded. In particular in view of forming a strategic gateway to the Arctic region, attention should be given to an extension of ScanMed and NSB (North Sea-Baltic) which meet at the Swedish-Finnish border*" (Second work plan, December 2016). EFNS shares this assessment.



- **A coherent Union**

EU presence in the regions through CEF contributes to vitalisation of the cohesion policy and to active participation by EU regions. This brings about connectivity of the Union's geography as a whole and a movement towards bringing authorities, industry and citizens closer. EFNS considers that an extension of the Scandinavia-Mediterranean core network corridor is an important measure for promoting territorial cohesion and growth and for strengthening EU relevance at local and regional levels.

- **The Arctic**

An extension of the Scandinavia-Mediterranean core network corridor means that the whole of Sweden is on the "European map" and forms an important link to the European Arctic. In our view the "Arctic triangle" should be established as a natural extension of the ScanMed transport corridor and connects the northern parts of Sweden, Finland and Norway through the Iron Ore line to Narvik and North Sea Baltic in northern Finland, and could be equated with other priority objects such as, for example, the Fehmarn Belt and Brenner Base Tunnel. The Arctic triangle in ScanMed would consolidate the EU's commitment and role as an important actor for development of the Arctic region.

- **Coordination of system planning**

The EFNS areas have obtained positive experience of the implementation of CEF-Transport, where essential parts of our transport system are included in the core network. Important projects have obtained both CEF and TEN-T co-financing, for example the Iron Ore line, Port of Luleå, North Bothnia line, Midway Alignment, New East Coast line, BioGaC and Mid Nordic Corridor. CEF support has largely accelerated the implementation of these priority projects and functioned as a catalyst for a more rapid start to project implementation than would otherwise have been possible.

CEF is an important EU mechanism for development of the transport system both to develop the necessary infrastructure and to integrate the transport system, which reduces travel time, border crossing time and administrative burden, particularly on railways. In this respect core network corridors are very important for development of the EU transport system as a whole. An extension of the Scan-Med corridor would mean an inclusion of all transport modes within the Bothnian transport area. It would further mean an inclusion of the structures for system planning at EU level which exist for the respective core network corridor and would better reflect the needs there are today along the entire corridor. This would involve EU support at system planning, identification of priorities and negotiation with member states to accelerate investment decisions and implementation. An extension would also contribute to increasing harmonisation between transport planning in northern Sweden with northern Finland and northern Norway.

The need to better coordinate planning is also expressed by the Nordic Council's Growth and Development Committee in the Nordics, which in 2017 recommended that the governments of Norway, Sweden and Finland coordinate their positions in relation to the revision of the EU:s TEN-T maps of priority sections and corridors particularly in the northern areas, and that governments should jointly look at the benefits of society by strengthening East-West connections for aviation, road and rail. EFNS welcomes this approach.



Other sections of CEF

- **Motorways of the Sea, MoS**

- EFNS emphasizes the importance of MoS for supporting the shipping sector in achieving future environmental goals that will be set out in EU and international legislation and also in order to integrate shipping in the logistic chain. Shipping is extremely important for the EFNS area which is highly dependent on exports both regarding minerals and forestry.
- EFNS welcomes the recommendations of the MoS coordinator Brian Simpsons in the Work Plan to work for better connections between the core network and peripheral areas in northern Sweden. The current criteria do not always give attention to the particular features of our region and should therefore be revised.

- **Development of infrastructure for alternative fuels**

- EFNS stresses the importance of continued support for the development of infrastructure for alternative fuels in the region.
- EFNS underscores the importance of the alternative fuels focusing on being renewable in order not to create a new dependence on fossil fuels.
- EFNS welcomes DG MOVE's ambition to coordinate the development of alternative fuels, for example, through flagship projects and EFNS believes that the region's road network should be able to integrate into these.

- **CEF budget**

- EFNS underlines the importance of financial support from the EU to develop the transport system which will create European added value and connect the major natural resources in the north to the whole of Europe.
- EFNS emphasizes the importance of a continued focus on classic infrastructure in CEF2 and wishes to highlight the importance of a high level of ambition in the budget for CEF-Transport post 2020 in order to achieve the goals set in the TEN-T Regulation by 2030. EFNS recalls that the transport sector is suffering from underinvestment. According to the European Commission's estimates, the need for investment to complete the core network in its entirety will amount to EUR 750 billion during 2016-2030.
- EFNS welcomes the joint declaration⁴ of the European coordinators and supports the demand for stronger support from the EU with an increased grants budget for CEF-Transport.
- EFNS welcomes the possibility to combine private investments with CEF-funding and other funding sources e.g. EFSI.

⁴ [Link to the Coordinators' joint declaration](#)



II. REFLECTIONS ON THE FUTURE DEVELOPMENT OF TEN-T

EU transport policy through CEF and the transport systems defined in the TEN-T network are essential mechanisms and relevant factors both for development of EU transport systems and for national and regional development.

- EFNS is of the view that the TEN-T methodology should be generally developed to include essential parts of our transport systems that today do not meet the criteria in the TEN-T methodology and also other cross-border objects such as those identified in the Joint Barents Transport Plan, in the Mid-Nordic cooperation, etc. In this way we would include other priority sections that do not meet the criteria laid down in the TEN-T methodology today and hence do not qualify to be part of the comprehensive network or the core network. Development of the criteria is an important precondition.
- EFNS intends to deepen our view of what the TEN-T system should look like based on the existing needs and preconditions in the EFNS area. Work will be carried out in collaboration in different forums in the years ahead.

III. THE EUROPEAN REGIONAL DEVELOPMENT FUND (ERDF)

In northern Sweden the EU has contributed to building infrastructure that creates new opportunities for innovation and welfare. The regions' chances of developing transport infrastructure in northern Sweden themselves have proved insufficient. On the other hand, EU structural funds created a flexibility in which the regional development perspective received additional resources to develop specific measures or strengthen the resources contributed nationally. This applies, for example, to development of the terminal structures, port infrastructures, the conversion to fossil fuel free infrastructures, special measures for parts of the rail network, which from a regional perspective are very important but have difficulty in fully asserting themselves in competition at the national level, or where insufficient funds are allocated in the framework for transport plans to make more tangible improvements possible.

The national transport plan has proved insufficient for creating partnerships round specific regional investments, where the magnitude of the effort demands long lead times. In this connection EU structural funds have increased chances of assembling the available resources, creating partnerships and reducing lead times to be able to carry out measures in the national transport system in reasonable time.

- EFNS underscores the importance of EU cohesion policy that provides greater chances of investments in transport infrastructure.



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