



**Third Annual Meeting of the Ministers
of Transport for South East Europe,
on the development of the South East
Europe Core Regional Transport
Network.**

***Speech of Mr Zoltan Kazatsay
Deputy Director General
Tirana 4th December 2007***

Good morning,

Ministers,

Ambassadors,

Ladies and Gentlemen,

Introduction

First of all I should convey to you the best greetings of Mr Barrot, Vice-President of the European Commission, responsible for transport. The vice-President would have very much liked to be here today but was prevented from coming by other commitments. It is with great pleasure that I represent him at this important third annual meeting of Ministers of Transport for South East Europe.

The regional cooperation for the development of a Core Regional Transport Network in South East Europe is a dynamic process. The large and high-level audience present here today in Tirana proves it. The development of the cooperation contains two aspects, which are the reform process and the construction of infrastructure. They are both equally important.

Transport policy in the European Union focuses on its two main challenges: mobility and sustainability. The objective of an efficient and safe transport system responding to the mobility needs of our society is an important tool to achieve economic development, integration, competitiveness and growth. The objective of a sustainable and clean transport system is an essential element in the fight against global warming. For these reasons, Europe, just like South East Europe, needs to optimise transport infrastructures.

1. Transport systems should become greener

European transport policy aims, amongst other things, at balancing the various modes of transport, notably in favour of rail, maritime transport and inland waterways, which are the more sustainable modes of transport. It also stresses the need

First, to remove bottlenecks,

Second, to provide efficient transport connections, including applying the co-modality concept which is the seamless combination of different modes of transport,

Third, to link together countries and regions as well as

Fourth, to improve safety, in particular on our roads.

In this context the Trans-European Transport Network (TEN-T), which provides the physical infrastructure necessary for the well functioning of the internal market, plays a crucial role.

Whilst it is clear for your Region, that the road network needs to be upgraded to improve its efficiency and safety, we share the same global challenge. The challenge ahead of all of us is therefore clear: to better balance the different transport modes, to increase the share of the less

polluting ones such as rail and inland waterways, to promote logistics chains, to develop green alternative fuels, to invest in energy efficient solutions and to make extensive use of new intelligent technologies such as Galileo.

I would in particular like to draw your attention to cross border projects as well as to European traffic management systems, such as ERTMS for rail, SESAR for air transport and NAIADES for inland waterways. We all need to allow better use of existing infrastructure.

2. Increasing Cooperation with the neighbours in South East Europe

As you know in the framework of the accession, the objective for Transport in South East Europe is to integrate the currently fragmented transport system. Therefore, the European Commission supports the Region in efforts to a gradual alignment with the *acquis communautaire* in all sectors and all modes of transport. This corresponds to the objectives defined in the framework of the Stabilisation and Association Process and continues the priority actions defined in the European partnerships. Financial assistance is available under the new pre-accession instrument (IPA).

With Croatia, we started accession negotiations 2 years ago. We are soon going to open negotiations concerning the Chapter of the Trans European Network. The South East Europe Core Transport Network will be the basis for negotiations. Developing the infrastructure and implementing the reform process in the Region are the ways to prepare a smooth transition towards EU membership.

3. Development of the regional transport network in South East Europe

Cooperation in the field of transport through the implementation of the Memorandum of Understanding for the development of the Core Regional Transport Network proves that a common strategic vision at a regional level gives solid and sound results.

The third multi-annual plan prepared by the South East Europe Transport Observatory demonstrates this vision by:

1. determining the horizontal actions which are necessary to improve infrastructure management, and thereby making it possible to advance towards the building of a transport community;

2. agreeing on a list of priority projects, that, to be effective, must be limited in numbers, which is a particular challenge, when the needs are often great.

My services have studied the priority list of the 2007 - 2011 plan very carefully. It should be emphasised that the revival of rail infrastructure needs to be accelerated. Project preparation, in particular in the rail sector, has to be improved and better reflected at regional level.

Since last year, the South East Europe Transport Observatory has improved its monitoring of the network. The choice to devote a specific horizontal measure of data collection and analysis of network performance goes in the right direction. Next year, DG Energy and Transport will contribute to this work by financing a comprehensive study concerning traffic flows on the Core Network.

4. Development of the regional transport area in South East Europe

More specifically, I would like to come back to the rail sector. Clearly, railways have to orient better towards the needs of the market, and the European Union's response is competition on the track: every railway operator must get a fair chance to provide a service. Delays of 6 hours and more at borders hamper the ability of the sector to compete with trucks. Thus, rail requires continuous, interoperable and coherent operations without major interruptions or differences in technical standards.

Rail reform also requires political support to devote the necessary financial resources to the rail system and the financial stability of the infrastructure managers. This reform is equally important since it is vital to ensure quality of service and financial stability of rail companies. The European Commission is convinced that appropriate infrastructure investments combined with open, regulated access to the infrastructure is the way forward for the rail sector. It will allow this sector to play its role fully in greening the transport system and in promoting economic development and integration in Europe. I am therefore particularly honoured to be in a position to sign an ambitious addendum to the Memorandum of Understanding to create a Railway Transport Area in South East Europe. At this occasion, I want to pay a tribute to the different developments that have led to where we are today:

1. the Working Group for rail, established in April 2006, has perfectly fulfilled its role of coordination;
2. the leaders in this Region have shown a clear political will to implement an integrated network and to remove non-physical barriers;

3. the International Financial Institutions, in particular World Bank and European Investment Bank, have developed an excellent cooperation with the European Commission.

The European Commission will organise peer reviews to assess the progress made towards the achievements of the objectives of this Addendum. It will also consider the opportunity to appoint a personality to play the role of facilitator of the dialogue and the coordination between the various participants.

Conclusion

I am delighted to note that a political commitment is clearly shown by the presence of all of us here today, a commitment strengthened by the necessity to develop an integrated vision of rail infrastructure in South East Europe. The European Union is now ready to build on this achievement and to offer the Region the possibility to integrate into the same transport area. For this, the European Commission intends to propose to the European Union Council of Ministers early 2008 to explore how to strengthen and extend further what has been achieved in the rail sector by signing this Addendum. This proposal could take the form of a treaty covering all modes of transport except aviation. The progressive implementation of a transport community is a considerable step forward towards integration into the European Union.

Cooperation at European level is essential. Consequently, I am pleased to confirm that you can count on the active support of the European Commission to continue with you the further development of the Core Regional Transport Network in South East Europe.

Thank you for your attention.