



Czech Republic: Transport

Position paper on transport for period 2014-2020 programme

Recommendations

Ideally, after the 2014-2020 programming period the Czech Republic shall have a number of significant transport projects implemented across transport modes thanks to the contribution from EU funds. These include upgrades of the railway system, missing links in the road network, terminals of multimodal freight transport, public transport in agglomeration areas, integration of ITS in road transport and installation of remote traffic management measures on rail transport. Only such measures which improve the offer for transport users and simultaneously contribute to the decrease of transport environmental impacts should be supported. Upgrades or reconstruction works should, at the same time, contribute to a decrease in the number of sections of the transport network which are in an inadequate technical state or close to it.

The measures supported shall explicitly follow the long term goal of an increase in the share of rail transport and a decrease of the sector's environmental impacts. It is therefore essential to support the following measures:

- Investments in upgrades of the railways, not only on trans-European or backbone routes
- Construction and development of services in multimodal terminals.
- Introduction of intelligent transport systems in order to increase safety and capacity of transport connections.
- Investments in the development of integrated transport systems in agglomeration areas.
- Decrease some negative impacts of road transport through construction of bypasses and roads with appropriate (meaning not exorbitant) capacity. A precondition of clear prioritization of projects across transport modes must be fulfilled in order to invest in the most fecund projects.
- Extension of the "polluter pays" principle, for example through extension of freight road transport charging to selected secondary and tertiary roads. This would not only serve to increase the attractiveness of railways, but also lead to the weakening of the negative trend of bypassing of charged sections of the road network and lesser devastation of roads of lower categories.
- Specify such indicators in the transport sector, that will really enable to monitor level of the change achieved thanks to the use of the EU funds (modal shift, decrease of the transport related emissions).

Experience in the course of the 2007-2013 programming period showed that implementation of projects is accompanied by a conflict of interests of politicians and officials, and also by excessive extra costs. Bearing this in mind, it is necessary that the EC requires concrete guarantees from the Czech Republic in order to prevent corruption and to increase control over and transparency of the implementation of EU funds-related projects.

Description of the problem

Transport infrastructure is a public asset with the public sector responsible for its operability, maintenance and development. In the Czech Republic its financing is very costly due to a number of reasons. Firstly, it is unfit technically (historical debt on maintenance and rehabilitation). Secondly it is the result of a reprehensible ineffectiveness in the entire process of the preparation and construction of transport structures without a clear strategic determination of priorities and with such financial costs that good investors will not accept. Moreover, it became usual that the partial interests of politicians linked to the construction business outweighed the public interest on the existence of an effective transport network with minimized impacts on environment and people's health. Therefore, some motorways were planned and constructed that are far beyond the necessary capacity or even not necessary at all due to the existence of a modern parallel road. Not exceptionally, these were also built in poor quality. Meanwhile, citizen of dozens of towns





and municipalities suffer with excessive transit traffic and the railway in most directions is not able to compete with road time-wise and sometimes also with its capacity. At the same time maintenance is underfinanced (railways, roads, bridges), and this situation continues to worsen.

These problems are naturally present also in the implementation of the OP Transport. It is true that due to unacceptable practices in planning, decision-making and construction costs the Commission rightly refuses to give a green light to finance a number of transport projects, especially motorways. As a result the country looses its chance to move ahead with its transport infrastructure and seems to be only able to start acting under fiscal constraints.

Currently the Transport ministry has an unselected "priority list" of some 500 important transport infrastructure projects, whose construction would require dozens of billions of EUR. Consistent analysis of the missing links in the transport network would very probably lead to the identification of many others. It is clear that due to the financial reality it is necessary to prepare a good strategy for the development of transport infrastructure which will transparently set real priorities, because it is clearly neither feasible nor necessary to build all the projects on the list.

At the same time there are also other crucial imperatives in place which must be taken into account – except for socioeconomic ones there is above all a need to decrease the environmental impacts of transport, including the need to decrease carbon footprint according to the EU strategies. These must be given appropriate importance, because the development of transport infrastructure cannot materialize without the significant involvement of the EU funds. The existence of a good strategy for the period 2014-2020 is an inevitable conditionality for their use.

The Transport ministry has started the process of preparation of such strategy (Transport Sectoral Strategy, SeStra II). Its elaboration started in September 2011 and it will be ready in the first half of 2013. It should serve as the basis for the preparation of the OP Transport 2014-2020. The strategy will be framed by the Transport policy of the Czech Republic for the given period, which is also being updated.

European priorities in Czech context

A necessity of the improvements in the transport sector as outlined in both the Europe 2020 strategy and in the new White Paper On Transport⁶⁷ was also reflected by the Czech government in its summary document⁶⁸, where transport is reflected in the following areas.

Support of competitiveness through the improvement of transport infrastructure

- Support of the finalization of transport infrastructure of national and European significance.
- Provision of good access of all regions to the trans-European network of road, rail and air transport.
- Support of the use of optimal transport mode in freight transport either individually or in combination through the support of the establishment of a network of public logistic centres, including multimodal terminals and through the support of the introduction of modern ITS technologies.

Strengthen regional competitiveness

- Rehabilitation of regional and local transport infrastructure.
- Support the use of public transport through the construction of necessary infrastructure, ITs and upgrades of rolling stock.

Opportunities

The main opportunity in the transport sector is the preparation and implementation of a good quality Transport sector strategy and subsequent OP Transport 2014-2020. This would - contrary to current OP Transport - enable investments in measures which provide the biggest transport, socioeconomic and environmental benefits. After the 2014-2020 period the Czech Republic could therefore, thanks to contributions from EU funds, have materialized several crucial projects across transport modes (railway upgrades, missing road links, terminals for multimodal freight transport, strengthening of public transport in agglomeration areas, integration of ITS in the road transport and installation of remote traffic management measures on rail. These would increase the offer and safety for transport users and simultaneously contribute to limiting the environmental impacts of transport).





Specific measures

The supported measures should explicitly follow the long term goal of increasing the share of rail transport and decreasing the sector's environmental impacts. It is necessary to support the following measures:

- Investments in upgrades of railways, not only on trans-European or backbone routes. Investment on a small scale can also, in some cases, significantly increase effectiveness and quality of rail transport both for long-distance travel, as well as in regional passenger transport.
- Construction and development of services in multimodal terminals.
- Introduction of intelligent transport systems in order to increase the safety and capacity of transport connections.
- Investments in the development of integrated transport systems in agglomeration areas.
- Decrease some negative impacts of road transport through the construction of bypasses and roads with appropriate capacity. A precondition of clear prioritization of projects across transport modes must be fulfilled in order to invest to the most verifiably fecund projects.
- Extension of the "polluter pays" principle, for example through the extension of freight road transport charging to selected secondary and tertiary roads. This would not only serve to increase the attractiveness of railways, but also lead to a weakening of the negative trend of bypassing charged sections of the road network and lesser devastation of lower category roads.
- Specify such indicators in the transport sector, that will really enable to monitor level of the change achieved thanks to the use of the EU funds (modal shift, decrease of the transport related emissions).

As identified in the draft Transport policy for 2014-2020, which is under preparation, from the regional cohesion perspective it is important to ensure comparable quality of transport infrastructure in individual regions in the country.

The main missing links include:

South-Bohemian region – missing basic modern rail and road infrastructure in the direction of Prague – České Budějovice – Linz (A).

Karlovy Vary region - the basic modern road and rail connection in the direction of Prague - Karlovy Vary - Marktredwitz (D) is missing.

Liberec region – completely missing rail connection for passenger as well as freight transport (including the industrial area of Mladá Boleslav and backbone rail infrastructure to link main centres in the region).

Pilsen region - rail link in the axis Prague - Pilsen - Regensburg (D) is missing.

Vysočina region – good quality infrastructure is missing that would link important centres of the region as well as provide good connection to the capacity national railway network.

Prague and Central Bohemian region – road connection that would divert transit traffic from the capital is missing, as well as a good quality rail connection for regional transport between Prague and three biggest Central Bohemian cities.

Projects not to finance:

On the other hand there are projects where analyses so far show an intervention would not be desirable at all or could only take place provided preconditions of fundamental environmental impacts are resolved and economic viability proven. In terms of concrete projects, the following are facing difficulties, causing controversy or cannot be proven to makes sense to invest in them in socio-economic terms. It is therefore not desirable that the EU funds are used for their construction:

Prague TEN-T ring motorway in the current plans – while generally necessary, there are serious problems with the officially promoted routing, which in some sections is too close to densely inhabited areas or even passes through them (esp. In NW, NE and SE section).

Motorway concept of South Moravia – the concept is linked to the controversial R52 motorway which will connect Brno and Mikulov/Drasenhofen (A) on the route to Vienna. While from the capacity point of view this does not make sense, potential construction is also linked to the need to build a new South-West tangent of Brno and the high capacity R43 motorway, which in the area of Brno is also planned to pass through a densely inhabited district. At the same time the role of the planned TEN-T R55 connection on the Katowice (PL) – Wien (A) around Břeclav is being restrained. Calculations show that a solution without the R52 and consequent "inevitable" investments would be both healthier for citizen and at least 1.2 billion EUR cheaper.





Motorway connection of Prague and Southern Bohemia – while nearly half of the R4 motorway in the direction of South Bohemian metropolis České Budějovice via city of Písek is built, a nearly parallel completely new D3 motorway around the city of Tábor is under construction. It will be yet another example of a PPP scheme in the country, after the previous ones which failed, and is another doubtful project with motorway parameters in economic terms. Also, the recreational area south of Prague near the Sázava river is under threat.

R49 motorway Hulín - Zlín - border with Slovakia – project is highly questionable both from economic and transport as well as environmental reasons (creating severe migration barriers for protected large mammal species), but which on the basis of national lobbying has become part of the new TEN-T - Core network.

Transfer of central railway station in the city of Brno – a persisting problem of the planned removal of the central railway station to the periphery, which is opposed by citizens. The badly designed intention contributed to the fact that no upgrades on this important passenger traffic node in South Moravia took place in the 2007-2013 period.

D8 motorway across Ceske Stredohori Protected Landscape Area – an evergreen among problematic projects. While the Commission has not approved any funding for this project so far, due to the fact that its completion date is constantly being postponed, and as a result of numerous lost court cases for the investor, the project can again appear among those in the pipeline for the 2014-2020 period.

Inland water transport projects and schemes. Another specific of the Czech situation is an effort to invest in inland waterway transport (freight as well as tourist) on the Vltava (Moldau) and Elbe rivers. This is not based on economic grounds. Neither has it significant development potential. Moreover, the constructions on Elbe river which are being promoted (especially a channel near Přelouč and the weir at Děčín) are located in sites that fulfil Natura 2000 criteria, but where authorities keep refusing to add them to the Natura 2000 network list. These projects should only become financed by the EU funds if a precondition of fundamental environmental impact is resolved and economic viability proven. Also never-ending is the promotion of the Danube-Oder-Elbe canal which certain Czech interest groups are constantly advocating in order to have them present in strategic documents like the TEN-T scheme. From the studies available so far it is clear that the environmental impact of such a scheme would be immense.

Prague metro extension – **line** A – an economically badly grounded and unnecessary project is the extension of the A line from Dejvická station to Motol. While EU money theoretically can still be used in the current period, it is possible that the money will be lost due to the failure of the Prague authorities to follow the EC conditions. Even if not so, the Commission should be very careful about any other metro extension project that Prague city might propose for the 2014-2020 period.

Indicators and targets

Proposals of the Regulations on the CF and on ERDF published by the Commission in October 2011 contain also a proposal of indicators. In the transport sector we propose to extend these in such a way which would really enable the monitoring of levels of change which would be achieved by EU funds in the given sector.

The following indicators should be included:

nassenger transport	unit: percentage share of each mode of transport, expressed in passenger-kilometres	Evidence can be found from Eurostat: http://epp.eurostat.ec.europa.eu/tgm/ refreshTableAction.do?tab=table&plugin=1&pcode=tsdtr2 10&language=en and national statistics.
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Justification: We propose to introduce an outcome indicator "Modal split of passengers transport". Modal split is the key results indicator for support in the transport area. The desired outcome is a decrease in the use of passenger cars and roads and an increase in public modes (trains, trams, buses) and railway transport. Data are available at Eurostat and from national statistics.

transport	unit: percentage share of each mode of transport, expressed in tonn-kilometres	
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Justification: We propose to introduce an outcome indicator "Modal split of freight transport". Modal split is the key results indicator for support in the transport area. The desired outcome is decrease of road freight transport and increase of the rail transport (in tonn-kilometers). Data are available at Eurostat and from national statistics.

3. Contribution of newly built, reconstructed or upgraded railway lines to decrease of GHG emissions	Units: tons of CO ₂ eq.	from this TEN-T: tons of CO_2 eq.
4. Contribution of newly built, reconstructed or upgraded roads to decrease of GHG emissions	Units: tons of CO ₂ eq.	from this TEN-T: tons of CO ₂ eq.

Justification: We propose to complement the indicators measuring the length of built or reconstructed infrastructure with measuring of the immediate effect of such support on greenhouse gases (GHG) emissions. The length of infrastructure as an indicator does not give information about the effects. There should be an indicator in place in the transport sector which describes the positive immediate outcome of investments. One of the main goals of the Europe 2020 strategy is the reduction of GHG emissions by 20%. The transport sector is, alongside the energy sector, the key to achieving this. While in energy sector there are indicators in place related to the consumption of fossil fuels and GHG emissions, in the transport sector such indicators are lacking. The issue cannot be addressed only in terms of urban transport or inland waterways, but has to be covered on a more complex level. Railways have very detailed and precise information on the number of vehicles/ton/km and therefore there are sufficient data available to calculate GHG emissions after the completion of projects. With regard to roads, similar data are available from electronic toll collection systems and transport intensity surveys performed by national authorities. Also other methodologies of assessment of the emission impacts of transport projects are in place or under preparation, e.g. Since GHG assessment methodology is under preparation at EU level, such an assessment shall take place as soon as the methodology is available.

5. Increase of passenger trips using supported public urban transport service	unit: number of passenger journeys
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Justification: Support in passengers transport should not be limited to urban areas but should cover rural areas as well. This is very sensitive issue as in rural areas public transport is often the only affordable option particularly for elderly or socially excluded people. We propose to widen this indicator in the Transport section to public transport and focus on urban transport within the Urban Development section. Concerning the data availability, this amendment means no change compared to the original Commission proposal as the data are possible to obtain from a regularly performed scrutiny of transport intensity.

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