

FICHE FOR ENPI SOUTH ANNUAL ACTION PLAN

1. IDENTIFICATION

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| Title | Euromed Transport Project – Support to the implementation of the Regional Transport Action Plan (CRIS 2007/019-593) | | |
| Total cost | EUR 6.000.000 | | |
| Aid method / Management mode | Project approach – centralised management | | |
| DAC-code | 21010 | Sector | Transport policy |

2. RATIONALE

2.1. Sector context

Partner governments in the Mediterranean countries are engaged in structural and regulatory reform in the transport sector as well as infrastructure planning and assessment. The association agreements and bilateral action plans agreed upon in the framework of the European Neighbourhood Policy, bilateral and regional programmes are supporting this process.

In order to support and accompany this reform process in the region, a policy dialogue structure has been established in the framework of the Euro-Mediterranean Partnership through the setting up of the Euro-Mediterranean Transport Forum, composed of National coordinators appointed by the partner countries, representatives of EU Member States and of the European Commission. This Forum is assisted by technical groups (i.e. Working Groups) meeting at expert level. These structures are designed to coordinate and formalise the initiatives and objectives agreed within the reform process in the region.

This dialogue framework has led to the adoption in December 2005, at the First Euro-Mediterranean Transport Conference in Marrakech, of a Blue Paper on transport networks in the region. This document, based on an assessment of the existing situation in all partner countries, formalised the strategy and objectives agreed to tackle the imbalances and gaps identified in the transport sector. In the Mediterranean region, key transport bottlenecks result from inadequate sector policies and/or administrative procedures, more than from lack of major physical infrastructure. As such, the main objectives of the Euro-Mediterranean Partnership in the field of transport aim to:

- Improve the efficiency of the regional network by addressing
- structural issues related to the liberalization of the ports and aviation sectors,

- modernizing the regulatory framework,
- supporting inter-modality, and
- considering the long-term re-structuring of the rail sector.
- Reinforce the regional infrastructure network for the whole region by supporting the inter-connection and interoperability of national networks with each other and with the TEN-T;
- Enhance transport safety and security.

The Marrakech Conference, after adopting the Blue Paper, called on the Euromed Transport Forum to follow-up this document via the elaboration of a Regional Transport Action Plan (RTAP), which would transcribe in concrete and specific activities the strategy agreed in the Blue Paper. After a series of meetings at expert and senior levels, the RTAP was elaborated and subsequently approved by all representatives of partner countries at the 8th Euromed Transport Forum held in Brussels on 29-30 May 2007

The Regional Transport Action Plan (RTAP) for the Mediterranean represents the mid-term road plan (2007-2013) for making significant progress to overcoming the above problems, as mentioned above. It proposes actions in a number of areas, more specifically for maritime transport, road transport, railway transport, civil aviation, multimodal transport, transport infrastructure networks (planning and financing) as well as with respect to sustainability issues. These actions are to be implemented by the Partner governments in the framework of their national policies and strategies, or at the multilateral level through cooperation and the exchange of information.

2.2. Lessons learnt

The implementation of the Euromed Transport Programme has confirmed the importance of establishing a continuous policy dialogue amongst Partner countries representatives. This process has led to meaningful milestones such as the organisation of the first EuroMed Ministerial Transport Conference, as well as the adoption of the Blue Paper on the Euro-Mediterranean transport networks and more recently the Regional Transport Action Plan. The Partner countries themselves have clearly expressed their attachment to these fora and their wish to see them continue.

However, national authorities and coordinators in some countries need to reach a higher level of commitment, otherwise any effort from the EC might be jeopardised by the absence of self-sustainability and lack of continuity in the administrative structure, due to the absence of internal know-how transfer systems. Discussions with the Partner countries, confirmed by the conclusion of the recent evaluation mission of the Euromed Transport Programme have thus confirmed the need to maintain the established dialogue through permanent coordinating structures, such as Permanent Secretariats.

Past dialogue and assessments have also uncovered a growing need to adopt a sub-regional perspective on certain matters, given the geographic differences between countries of the Western Mediterranean and the Eastern Mediterranean. Differences

in the situation of the transport sector in these sub-regions have revealed the limits of a one-dimensional approach. As such, one of the current challenges within the regional reform process will be to provide a more tailored and locally specific approach.

Mediterranean partner countries have emphasised this need, notably by stressing at the 12-13 November 2007 Euromed Working Group on Infrastructure and regulatory reform (established in the framework of the Communication on the extension of the Trans-European Networks) the importance of establishing of permanent technical and administrative secretariats. The partner countries also recognised the role played in this perspective by the technical secretariat of the Western Mediterranean Transport Group (GTMO), the "Centre d'Etudes des Transports pour la Méditerranée Occidentale" (CETMO). The partner countries also called on the setting up of a similar structure for the East-Med sub-region.

The aforementioned evaluation mission also identified some operations as priorities for future Euromed Transport activities that were included in the programme.

In this perspective, the evaluation concludes that regional secretariats would "assist in the exploitation of the results of the previous projects and transmit them to all parties involved as well as ensure that the know how developed through training and study tours is not dispersed in case of change of the human resources involved in the project [...] Beside strengthening the dialogue between the countries and coordinating future activities, the Permanent Secretariat should focus and strengthen the awareness on the importance of developing and improving infrastructures, in particular those linking the Mediterranean Countries among themselves, since the focus is very often concentrated in internal links and in the South North direction".

2.3. Complementary actions

The proposed project will support the implementation of the RTAP which proposes an approach complementary to the priorities defined under the European Neighbourhood Policy (ENP). It is essential that transport planning and policy are better coordinated at different levels, more specifically between national master plans or transport strategies, the ENP Action Plans and the Euro-Mediterranean Partnership. To this end actions proposed by the RTAP take into account national priorities and specificities identified as priorities under the ENP bilateral Action Plans as well as the activities/projects financed or to be financed under the ENPI South Regional Indicative Programme and the Neighbourhood Investment Facility (NIF).

The RTAP is also largely based on the findings of other regional transport projects supported by the European Commission on a wide range of issues ranging from maritime safety and security (SAFEMED), aviation (EuroMed Aviation), the motorways of the sea (MEDA MoS), logistic platforms as well as on satellite navigation systems (GNSS I). These projects will continue to provide technical assistance to the Mediterranean Countries with respect to the implementation of several of the RTAP actions.

The proposed project will also incorporate the extensive modelling work of the recently completed Euromed Infrastructure project

The results of other initiatives, such as the INCO-MED projects MEDA-TEN, DESTIN and REG-MED that dealt with infrastructure development and transport facilitation measures will also be used for the implementation of the RTAP

In addition, the project will liaise with the following institutions that are themselves engaged in the implementation of activities in the Mediterranean region, namely European agencies in the field of transport (European Maritime Safety Agency, European Aviation Safety Authority), major International Financing Institutions (EIB, World Bank) and regional organisations (Union du Maghreb Arabe, Groupe des Ministres de Transports de la Méditerranée occidentale-GTMO, GALILEO Euro-Mediterranean Coordination Office).

2.4. Donor coordination

This project will aim to develop potential synergies with IFIs and other donors. Close coordination with other transport programmes and initiatives in the region will therefore be essential. Particular attention will be given to developing a strong work partnership with the European Investment Bank and the World Bank, in line with the dialogue already established by the Euromed Transport Project. Representatives of these institutions, as well as other international organisations (UNECE, ICAO, IMO), have been regularly invited to attend Forum and Working Group meetings, as well to contribute to the work accomplished by the project (Blue Book, RTAP, etc.). This fruitful collaboration shall be pursued by the proposed project.

In light of the forthcoming launch of the Neighbourhood Investment Facility (NIF), special attention will also be given to the identification of projects eligible for NIF financing. In this perspective, close cooperation with relevant Commission services will be needed to devise a methodology for such bottom-up proposal identification.

Past cooperation and dialogue with regional or sub-regional organisations (UN-ESCWA, UMA) will be pursued and strengthened, thanks to the more local reach afforded by Regional Secretariats.

3. DESCRIPTION

3.1. Objectives

In the context of setting up of an integrated, efficient, safe and secure transport system in the Mediterranean region, recognised as a key factor for the development and stability of the region and the increase of intra-regional trade, the proposed project's overall aim is to accompany and assist the implementation of the Regional Transport Action Plan (RTAP) for the Mediterranean (2007-2013) officially adopted at the 8th EuroMed Transport Forum of May 29-30, 2007.

More specifically, in line with the conclusions of the Marrakech Ministerial Conference, the project will address the following objectives:

- Institutional reform: pursue the modernisation and strengthening of administrative capacities, as well as the organisational restructuring of the sector aiming in particular at separating the regulatory, management and operational tasks.

- Infrastructure networks and financing: give priority to the realization of missing interconnections (both at North-South and South-South levels) and to the main transnational axes and projects identified in the framework of the High Level group exercise and the MEDA regional transport network planning exercise; ensure technical and administrative interoperability; mobilize national, regional and international sources of funding, notably EU resources, on the identified priority projects; promote a safe environment for national and foreign private investors, experience innovative financing mechanisms and encourage public private partnerships.
- Enhance safety and security, especially in road and maritime sectors.

3.2. Expected results and main activities

The expected results and outputs of the project will be:

- Implementation progress of the 34 actions listed in the RTAP by each Partner country;
- Updated infrastructure maps, forecast data assembling and analyzing transport data, maintaining a common database of demand, GIS network data and common forecasting scenarios for the Mediterranean;
- Monitoring reports and database to document developments concerning the 34 actions of the RTAP in each country;
- Studies and reports pertaining to concrete information on technical and non-technical barriers with related investment needs;
- Pre-feasibility studies;
- Technical and logistical support of:
 - the Transport Forum and its associated expertise working groups, expertise groups and task forces;
 - meetings, conferences and workshops with stakeholders and IFIs;
- Training and information seminars;
- Progress report on the implementation of the RTAP;
- Dissemination activities.
- Project visibility

The proposed project will provide institutional and strategic support for the establishment of an effective political dialogue and coordination mechanism between the Euro-Mediterranean partner countries transport administrations and the EC .

Furthermore, it will carry out, when and where relevant as input to this dialogue, studies, analyses and assessments concerning regulatory reform, infrastructure planning and assessment of financing needs with respect to the sectors of maritime transport, road transport, railway transport as well as civil aviation and multimodal transport in accordance with the priorities of the RTAP and ENPI.

Finally it will provide for the monitoring of the implementation of the RTAP in every partner country

The main activities of the project will be:

Support for Euro-Mediterranean transport dialogue and coordination

- Establish core expertise groups or teams on geographic and thematic level in the different sub-regions and for each transport sector of relevance for the implementation of the RTAP
- Facilitate the operation of the Euro-Mediterranean Transport Forum and its Working Groups through the provision of scientific and technical expertise as well as and organizational support, including the organization of meetings, set-up of agendas, writing and distribution of minutes and follow-up of decisions.
- Organize coordination meetings, in cooperation with the European Commission, with financing institutions and all relevant stakeholders to jointly promote bankable transport investment projects and to promote the participation of private sector (for example under private-public partnerships schemes) in these projects.

Technical assistance concerning regulatory reform, infrastructure planning and assessment of financing needs

The project will implement the following activities primarily at sub-regional level:

- Follow-up to the modelling and data collection work accomplished under past projects. mapping outputs in line with the needs of RTAP implementation and IFI financing, establish transport forecasts for the regional axes development, analyse existing and future bottlenecks, and identify priority investment projects in-line with EU policies and the RTAP strategy.
- Provide concrete information on technical and non-technical barriers, with related investment needs to develop the axes.
- Support the implementation of pre-feasibility studies as well as coordination and dialogue for possible infrastructure investments and feasibility studies to be financed under the above-mentioned Neighbourhood Investment Facility. The project activities will be detailed during the project formulation phase.
- Organize regulatory workshops if and where relevant in Western and Eastern Mediterranean countries or in individual partner countries to familiarize partner governments with RTAP process. Such training / information seminars may be generic in character or specialized to specific modes or topics.

Monitoring of the implementation of the RTAP

The project will implement the following activities primarily at sub-regional level:

- Establish monitoring procedures and a time table to follow up in both Eastern and Western Mediterranean and in each Mediterranean Partner Country reforms in each of the priority sectors for the RTAP. Such monitoring procedures could include (the following list is not exhaustive):
- a template and assistance provided to members of the Euro-Mediterranean Transport Forum representing partner countries for reporting on reforms and developments on a regular basis;
- missions to meet with government representatives to discuss the progress of reforms;
- the set-up and running of a user-friendly database to document the developments in each of the partner countries for each of the actions proposed by the RTAP; this database should furthermore include modules for reporting on meetings of the Euro-Mediterranean Transport Forum or of / with relevant stakeholders, including developments in other relevant projects with which the proposed project is coordinated.
- Draft on behalf of the Euro-Mediterranean Transport Forum the progress report on the implementation of the RTAP due in 2009 and advance recommendations about the pace and content of reforms subsequently till 2013.

3.3. Stakeholders

The partner countries are the countries belonging to the ENPI South region. The project's main stakeholders are the Ministries of Transport and governmental institutions responsible for the sustainable development of transport policies and transport infrastructures.

The overall objectives of the project, as identified in the RTAP, are ultimately under the responsibility of the partner countries, thus the project will be implemented with the full implication of the main stakeholders namely, the transport ministries of the Mediterranean Countries, as represented at the senior level in the Euromed Transport Forum and the technical level in the sectoral Working Groups

Limited resources in transport ministries in the region calls for continued assistance, through the provision of know-how (workshops, study tours) and coordination mechanisms which are usually lacking.

Financial assistance to the participation of representatives to the existing dialogue fora is also necessary so as to prevent the loss of the existing regional network established so far and ensure a full ownership of the strategies pursued regionally.

3.4. Risks and assumptions

The main risk lies in the level of commitment of the partner countries to the implementation of the RTAP. However, it is considered that the countries have

already formally committed themselves by adopting the RTAP at the 29-30 May 2007 Euromed Transport Forum and confirmed their willingness to pursue this objective at the High Level Conference on the "Extension of the major trans-European transport axes to the Mediterranean region", (Lisbon, 3 December 2007) .

The complex bilateral and multilateral relations between several of the partner countries among themselves are another risk factor. It is for this reason that it is especially important for the present project to seek the consolidation of specific expert teams responsible for the East Mediterranean and West Mediterranean.

The success of the proposed project will additionally depend on the credibility of the project team and its ability to establish good communication structures and trust relationships with the Euro-Mediterranean Transport Forum members and the partner governments.

The active support of the European Commission services will also be needed to ensure the smooth implementation of the foreseen measures.

3.5. Crosscutting Issues

The project will improve good governance, through institutional building and restructuring. The application of EC rules and standards will also have a positive side effect on the environment. Gender policy principles will be applied in the selection procedures for the staff to be trained.

4. IMPLEMENTATION ISSUES

4.1. Implementation method

Centralised direct management.

4.2. Procurement and grant award procedures

All contracts implementing the action must be awarded and implemented in accordance with the procedures and standard documents laid down and published by the Commission for the implementation of external operations, in force at the time of the launch of the procedure in question.

The project will be implemented through two service contracts, one for the Western Mediterranean region and one for the Eastern part.

The direct service contract relating to the Western sub-region will be awarded to CETMO based on art. 242.1 b) of the Implementing Rules of the Financial Regulation insofar as it has been checked that CETMO is indeed a non-profit making institution. Should this not be the case, the activities relating to the Western sub-region will be integrated in the service contract to be awarded following a call for tenders (see paragraph below).

The other service contract will be awarded following a call for tenders. The recruited team of experts will have the same tasks to cover the Eastern Mediterranean area, as

well as to coordinate and integrate activities of the two subgroups for the entire Euromed region and in the frame of the Euromed Transport Forum activities.

4.3. Budget and calendar

The total budget for the proposed project is 6 million EUR for a duration of 3 years from the signature of the contracts.

The indicative budget breakdown could be as follows:

- 1,5 MEUR for the contract with CETMO (covering full-time experts, a limited number of short-term experts and mission expenses)
- 4,5 MEUR for the other service contract (covering full-time experts, the setting-up of a regional office, short-term expertise, organisational expenses and visibility activities)

4.4. Performance monitoring

The Commission central services will be monitoring the performance and progress of the project.

The proposed activities do not complement a sector plan, nor do they focus on specific modes of transport and there are no standard indicators for aggregating the effects of external aid financed by the EC in the domain. Instead, this project should be understood as an institutional capacity building effort, designed to accompany reform processes in partner countries.

In this light, performance indicators will be related to the progress made on the actions included in the Regional Transport Action Plan, bearing in mind that these should be implemented by the countries themselves. Indicators could take the form of the degree of implementation of the RTAP in partner countries through national programmes. The project will focus on tracking progress on the implementation of the RTAP in each country through matrixes and charts. More specifically, performance indicators will include amongst others:

- Road transport: elaboration of UN/ECE agreements
- Railway transport: adoption of Structural railway reform plans
- Infrastructure: PPP micro-studies, data modelling/forecasting tools for the region, proposals submitted to IFIs
- Maritime transport: reduction of dwell times, degree of implementation of international regulation (IMO-FAL, ISPS)

Other indicators will include the setting up or the continuation of regional policy dialogue fora (e.g. number of such events held), as well as the number of project proposals submitted to IFIs, resulting from pre-feasibility studies and general project facilitation activities implemented within the framework of this project.

Provision for external monitoring will be sought and a final evaluation should be foreseen and, if necessary, an audit may be carried out.

4.5. Evaluation and audit

Expenditure incurred will have to be certified, as part of the obligations of the contracted parties in the framework of the implementation of this project. Evaluation of the results achieved will be entrusted to independent consultants, as well as external audits (which will be carried out if necessary). These evaluations and audits will be funded from other sources than the project budget, since no commitment will be possible once the validity of this Decision has expired ("N+1" rule will apply).

A mid-term and a final project evaluation will be carried out to assess project performance, achievements and impact.

4.6. Communication and visibility

The project will work out a specific communication strategy and develop specific activities dedicated to communication and visibility. In particular, visibility actions will be undertaken and tools will be used (leaflets, maps) for the organisation of working groups meetings and ministerial conferences. The Euromed Transport website (www.euromedtransport.org) will be maintained and further developed. One of the priorities will focus on promoting Euro-Mediterranean proposals towards the International Financial Institutions and private investors in order to increase their financial participation to trade facilitation and transport investment projects in the region.

In all activities, the latest visibility guidelines concerning acknowledgement of EC financing of the project should be observed.