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**Keynote for the Side Event that will take place in the OSCE Regional
Mediterranean Partners for Cooperation Conference**

**THE ROLE OF TRANSPORT IN INTEGRATION
AND
TRANSMEDITERRANEAN COOPERATION**

Excellencies

Distinguished ladies and gentlemen

Allow me to begin this dialogue on transport in the area of our Mediterranean Partners for Cooperation, commenting on aspects related with regional integration and cooperation in the Mediterranean area.

Given the extent and complexity of this subject matter, it is my desire that these brief indications that I am going to expose, use as a base to initiate this dialogue with the intention of it being beneficial in the future, when we treat the situation of transport in our Mediterranean area in other forums.

This Economic Forum, at which today we are present, is dedicated to the important role that transport has, in the countries of the OSCE area, in respect to the economic growth, the social and political configuration and in its supranational integration. The process is being arduous and complex for the difficulty in identification of the existing problems and the search of his operative solutions.

In a similar way I am trying to do a brief description of some of the relevant aspects of the transport in the Mediterranean area. I will indicate some aspects that turn out to be negative for the Mediterranean integration process and I will comment on some possible solutions, which are suitable and/or necessary to give an impulse of cooperation to approach them.

In the course of last years, the countries of the Mediterranean area have initiated a process of reforms that tend to improve its systems of transport in aspects such as to be the extension and modernization of its infrastructures, the liberalization of sectors as that of road, maritime and air transport, and administrative reforms that promote the transport and trade.

All these national efforts have been integrated and promoted on diverse initiatives of international organizations, which purpose is to achieve the cooperation among the Mediterranean countries, as well as to regional and sub-regional level, to obtain, among other purposes, to create a common economic space.

In this process, I want to do special mention to the signature ten years ago of the “*Declaracion de Barcelona*”. The Declaration of Barcelona supposed the beginning of a wide cooperation in the Mediterranean area with the creation of the Euro-Mediterranean Partnership. The document signed in 1995 by 15 members states of the European Union, by 12 Mediterranean Partners and by the European Commission, it establishes three areas of future cooperation: political stability and security; economic and financial cooperation and the social, cultural and human cooperation. This declaration supposes the base of the current Mediterranean cooperation between the European Union and the Countries of the Mediterranean Area Partners (MEDA), the cooperation north-south, and also the sub-regional south-south cooperation.

At present, the policies of cooperation of the EU with its neighboring countries, makes concrete approaches in the new European Neighborhood Policy (ENP) and establishing a base of bilateral cooperation among the Mediterranean Partner Countries in different areas, including those concerning the transport sector.

Furthermore it is necessary to mention other initiatives of cooperation in our area in the transport sector, such as:

- Mediterranean Forum
- Arab League
- Union of the Arab Maghreb
- United Nations Economic Commission for Europe (UNECE)

Taking in consideration the sub-regional level, I want to mention the Group of The Ministers of Transport of the Western Mediterranean (GTMO); this initiative is composed by the ministers of transport of Algeria, France, Italy, Morocco, Portugal, Spain, Tunisia and the European Commission. The Ministry of Public Works and Transports of Spain , the department to which I belong, is fully engaged and has exercised the presidency up to its transfer to Tunisia in the last April.

Later, I am going to describe in a brief way the problematic aspects of the traditional modes of transport:

Related whit the road transport a basic road network for South-South movement throughout the MEDA region has already been built, although the standard of this provision varies link by link and country to country, reflecting the varying traffic flows and demands for inter-MEDA trade and passenger movement. Major road rehabilitation and reconstruction work seems to be a primary consideration in many of the MEDA countries, rather than investing in new road construction. In principle therefore, there already exists a continuous road system connecting all MEDA countries, and extending further to the EU:

- The coastal corridor which links main cities in the Maghreb (Marrakech-Casablanca-Oran-Algiers-Constantine-Tunis-Libyan border) provides in principle for an efficient national and international traffic flows.
- The Maghreb road network is connected to the Egyptian border through a relatively efficient coastal highway in Libya
- .The continuation of the trans-European transport network (TEN-T) roads eastwards to Iran and southwards to Arab countries (Istanbul-Adana-Iskenderum, then to the Syrian borders) is under study.

Related with the financing road sector the majority of the MEDA countries manage their national road networks in a traditional manner, with funds being allocated from the general government budget.

Access to the road freight transport industry has been greatly liberalised in all MEDA countries in recent years, with the private sector being highly involved in this business, for both the national and international goods traffic. Nevertheless, in some countries the state still provides some freight transport services using its own truck fleets.

There is an abundance of bilateral road transport agreements in the region, which may lead to confusion for carriers and to conflicts between agreements. There are already some multilateral initiatives aimed at regulating and harmonising road freight transport between countries. Such initiatives include the Arab Transit Agreement promoted by the Arab League, the United Nations Economic and Social Commission for Western Asia (ESCWA) . Agreement on the International Roads in the Arab Mashreq. But concerning the international agreements for regulating international road transport (mainly the conventions of the United Nations Economic Commission for Europe - UNECE), most MEDA countries remain inactive with respect to ratifying these conventions.

The magnitude and seriousness of the road safety problem in our area can be deduced by de fact that in all the partners country for cooperation the number of fatalities resulting from road accidents has increased between 1997 and 2001. Despite this negative image, however, it should be noted that some countries have undertaken ambitious efforts during the last few years to improve road safety records, and the results of these efforts have often been quite successful. Nevertheless, it is believed that there is still a need for further and more extensive improvements in this domain in virtually most countries, and that the issue of road safety should constitute a key issue and a primary subject of attention in relation to regional transport.

Related with the rail transport the majority of MEDA rail networks were designed and built many decades ago. As such, a large proportion of these rail networks is single track, and in need of comprehensive rehabilitation and reconstruction to rise to the modern rail age. There is no regional rail network that provides for continuous uninterrupted south-south rail traffic movements. This is attributed to a variety of reasons including physical, technical and/or political reasons.

The overall objective to transform the railway system is to enable the railways to assume a greater and more active role in the multimodal transport chain, based on the following three main instruments:

- Carrying out structural reforms aimed at enhancing the efficiency and financial viability of the railway systems (Separating infrastructure management from the commercial operations of transport services, this is particularly valid and relevant for the countries of the region which have an important railway network)

- Making carefully planned investments in infrastructure to improve the potential of the rail system within the multimodal network. This goal includes making selective and well-planned investments in infrastructure that can encourage and support the role of the rail system in the multimodal transport network.

- Promoting interoperability in the railway system to develop efficient international rail services between MEDA countries. This goal requires that the concept of rail interoperability be taken into consideration when making the infrastructure investments, particularly for the infrastructure that is of regional or sub-regional significance.

In the chain of transport it is necessary to point out the problematic that exist in the border-crossing process. This process is not optimally streamlined; customs practices are not simplified as should be, adherence to international agreements is not sufficient.

Related with the maritime transport it is important to indicate their growing importance in the freight transport and passengers. Maritime trade between the EU and MEDA regions reached a total of 240 million tonnes in 2000, in addition to the north-south significance of maritime trade in the region, maritime shipping is gaining more importance in the Mediterranean due to the increasing east-west flows mainly originating from Asia.

The shipping market has been opened up in virtually all MEDA countries where the private sector is allowed to engage in maritime shipping operations. Nevertheless, the public sector still plays a significant role in the provision of international maritime shipping services in several MEDA countries.

All MEDA countries are members of the International Maritime Organisation (IMO) and have adopted the basic IMO conventions relating to maritime safety, security and environmental protection, but the implementation of the already signed international conventions is still not optimised in the region, thereby posing potential threats to the regional maritime safety, security and environment.

The Motorways of the Sea (MoS) is an innovative concept that was originally introduced in the EU White Paper, the MoS are new transport services, different

from traditional short sea shipping services, they are part of transport networks and logistics organisation of the transport chain. The objective of the Motorways of the Sea is a modal cohesion by concentration of flows of freight on sea-based routes by improving existing maritime links or establishing new viable, regular and frequent maritime links for the transport of goods between Member States.

Due to the importance of maritime transport as the predominant mode of transport in the Mediterranean region, it is quite clear that the Mediterranean basin constitutes a priority area for the development of MoS and for the enhancement of maritime trade.

Related with Civil Aviation I indicate its main attributes: the air transport industry in the MEDA region is heavily dependent on tourism, in particular from the EU, and is also strongly linked to immigration. In several Partner Countries the 'public' flag carrier companies are fully owned by the government and the objective of restructuring public flag carriers, is shared by all Partner Countries. However, only few countries have taken solid steps in this respect and have achieved such restructuring.

Air traffic exchanges between MEDA countries, as well as between these countries and other countries, including EU countries, are largely governed by traditional bilateral air services agreements (ASAs). Nevertheless, MEDA countries have started to gradually, but steadily, open up their international air traffic exchanges and to implement an open market policy.

Concerning the opening up of air transport exchanges among MEDA countries themselves, a significant initiative already exists in this domain, namely the ACAC Programme (Arab Civil Aviation Commission programme for air transport liberalisation), which brings together eight MEDA countries and is expected to be in full force by late 2006. Concerning the aviation agreements with the EU there are horizontal agreements that are a prerequisite to any further cooperation with the EU in the aviation sector.

The status of air traffic management (ATM) in the region has advanced considerably in recent years. All MEDA countries are taking solid steps, although at a different pace, to upgrade their ATM infrastructure and equipment, and to enhance ATM procedures and techniques.

The condition of passenger terminals varies considerably across MEDA airports. While some airports provide modern passenger terminals, others are in need of new or extended facilities, some of which are already in progress. Capacity and congestion problems seem to exist at a large number of passenger terminals in the region. The cause of these problems, however, appears to be related not to the lack of physical infrastructure itself, but rather to operational deficiencies in terms of heavy peaking.

In order to finalize this exposition I desire to make a brief reference to the project of integration and cohesion between the infrastructure networks that Program MEDA contemplates.

The Mediterranean Transport Infrastructure Network (MTIN) aims to put in place a modern, compatible and interoperable regional transport network. The MTIN would contain the core infrastructure that ensures the proper physical connection and integration of the various transport modes across the MEDA countries, as well as providing adequate linkages with the trans-European transport network. The development of such a regional transport network has been at the heart of Euro-Mediterranean Transport cooperation since the launch of the Barcelona Process. To make this network a reality, a study has been commissioned in the framework of the MEDA Programme.

The definition of the MTIN is still ongoing and has not been fully finalised yet. Therefore it is early to identify precisely the transport axes that need to be promoted, or the major projects that need to be implemented.

The planning of the MTIN would clearly have to follow a well structured and scientific approach that can guarantee the delivery of an optimum, well connected and interoperable multimodal regional transport network. To this end, a planning methodology was devised and adopted.

I desire to finalize this brief notes thanking you for your attention and hoping that these general ideas on the problematic aspects of regional integration, and on the necessary way of cooperation on transport sector, serve as aid in the future transport forums in our Mediterranean area .