



## Dialogue Concerning Cross-Border Infrastructure Planning

### Background

Well-functioning freight and passenger transports are important prerequisites for the continued and positive development in the Nordic countries. Finland, Sweden and Norway are countries with comprehensive, joint and internal trade exchange and, in addition, a large dependency on export and import. This creates a demand for effective railway, road and maritime transports within the countries and across their borders.

The need for as frictionless and effective transports as possible between the Nordic countries is in somewhat of a contrast with their nationally-oriented transport and infrastructure planning. The countries plan and undertake actions concerning their transport systems up to their respective borders. As a result, they are dependent on synchronised planning and actions in the neighbouring country for the most effective end result. The uncertainty arising from this situation is likely to cause the de-prioritisation of projects up to the border compared to projects that mainly have effects within the country.

Cooperation between the national transport authorities in the Nordic countries is nowadays limited and relatively ad hoc. Unfortunately, similar trends are seen throughout the European Union at the moment. The inadequate interaction between the national transport authorities is at risk contributing to the preservation, formation and strengthening of various border barriers. This applies to investments and other infrastructure-related measures, but also to operating and maintenance efforts. In addition, infrastructural issues in the border regions are at risk of becoming systematically de-prioritised in the national decision-making processes. Therefore, national planning and decision-making processes must be comprehensively reviewed and analysed. The possible obstacles standing in the way of a macro-economically effective transport system in the Nordic countries must be identified and communicated to the relevant authorities.

### Do National Processes for Infrastructure Planning Create a Border Barrier?

The projects E12 Atlantica Transport and E12 Atlantica BA3NET have created a dialogue material that has been communicated to the Finnish, Swedish and Norwegian national transport authorities as well as to the representatives of border regions. The material is based on two reports:



- *Cross-Border Infrastructure Planning*

The first report describes national infrastructure planning in Finland, Sweden and Norway, and also defines the EU's role in this context. The current systems for infrastructure planning in the three countries are represented and analysed based on their similarities and differences. The report highlights to what extent and in what way the national goals for transport systems and the national planning processes create obstacles for well-functioning, cross-border infrastructure planning. In addition, the report suggests measures to reduce the consequences of the national focus that marks infrastructure planning. Other measures are also suggested to strengthen the cross-border, Nordic perspective in planning and efforts.

The report was drafted by Jerker Sjögren from Jesjo Konsult, and he was assisted by the consultants Helena Kyster-Hansen from MOE | Tetraplan, Marko Mäenpää from Ramboll (Finland), Ove Skovdahl from Rejlers (Norway), and Lars Brümmer and Thomas Ney from Ramboll (Sweden).


- *Infrastructure Planning in Nordic Cross-Border Transport Projects*

The second report has two objectives. The first is to provide a general account of the theory and methodology behind economic cost-benefit calculations regarding publicly-funded measures in the transport system. The second is to research the prerequisites for the implementation of macro-economic analyses of the measures concerning cross-border transport links. An example of such a measure could be the upgrade of a road or railway or a new port or ferry concept that binds together various national transport systems.

The report was drafted in the BA3NET project by researchers Thor-Erik Sandberg Hanssen, Nord University (Norway), Petri Halo, Vaasa University (Finland), Gisle Solvoll, Nord University (Norway), and Jonas Westin, Umeå University (Sweden), and Lars Westin, Umeå University (Sweden). BA3NET is an Interreg project that has been run parallel to and in close cooperation with the E12 Atlantica Transport project. BA3NET has been coordinated by CERUM at the University of Umeå.

### **Barriers and Problems**

The two reports show that there are certain differences between Finland, Sweden and Norway as regards their legislation, transport policy goals, the composition of actors, planning processes, and financing. However, these differences are relatively small and should not in themselves constitute actual barriers for cooperation and cross-border planning.



At the same time, the existing linguistic and institutional differences – together with the lack of general and describing materials – result in the fact that an individual actor from one of the three countries who wishes to act on a cross-border level *must dedicate a considerable amount of time and resources so as to identify actors, decision-making structures and responsibilities in the other countries.*


On the other hand, similarities in the overall joint structure form a good basis for the construction of joint Nordic cooperation within the scope of transport policy. For instance, both Sweden and Norway have ongoing, 12-year national transport plans with a current planning period for 2018–2029. Finland is also considering the implementation of a similar model.

The decisive reasons for the lack of a cross-border perspective and concrete efforts are the existing national perspectives that characterize planning and measures within the respective countries. For this reason, the financing of cross-border efforts constitute a big challenge. Cross-border projects require bilateral negotiations, where the expenses for measures are divided between the countries. To some extent, this poses other challenges for the produced planning framework than for the limited, national projects where the institutional forms for the division of costs and revenues between various regions and parts of the transport system have been developed over a long period of time.

Therefore, a key factor determining the success of cross-border planning is *a functioning and institutional framework for the financing of cross-border measures.* The present-day situation is characterised by deficiencies in the planning framework and a lack of alternatives for direct government funding in terms of the actual planning. Moreover, there are no cross-border arenas for discussions and negotiations related to the Nordic transport system. Therefore, it is vital to break the tradition of treating these deficiencies in the border regions' transport systems in our current manner, in other words, ad hoc! It is obviously highly probable that the failure to do so *leads to macro-economic inefficiency and reduced sustainability in the respective national systems as well as in the overarching Nordic transport network.* This, in turn, will have repercussions for the respective national systems.

### **Proposed Measures**

The reports introduce several measures that can be taken to achieve a cross-border, Nordic perspective and approach as well as coordinated, cross-border planning in order to accomplish long-term sustainability and macro-economic efficiency. The most important points are summarised below:

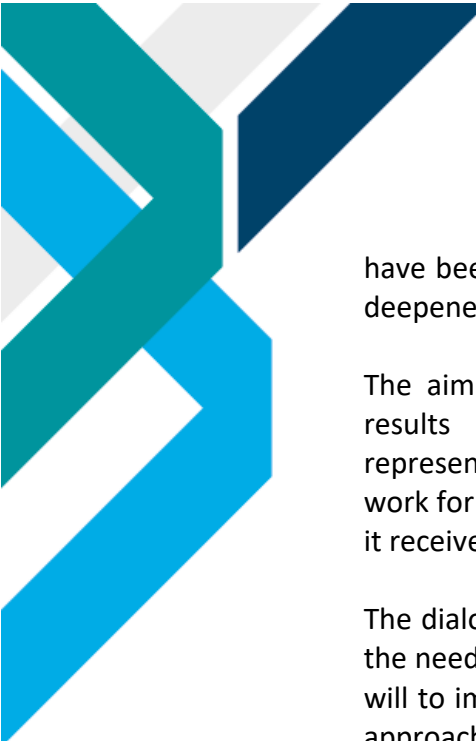
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- Utilise cooperation within TEN-T. Finland, Sweden and Norway are directly connected to two Core Network Corridors, which has created an increased focus on the need for a cross-border transport route that can be used to develop the cross-border planning of the Nordic transport system.
  - National transport plans must contain a separate section about cross-border planning that has been negotiated with the other concerned countries, in addition to a description of possible alternatives to direct government funding for cross-border infrastructure, if it is deemed advantageous.
  - Develop Nordic transport statistics. This task can be given to e.g. Sweden's Transport Analysis (Trafikanalys). Share experiences concerning the estimation of parameters and the supply and demand models of transports between the countries. Identify differences in behaviour and cost-relatedness between the countries.
  - Invest in open and systematic experience-sharing, evaluations and training between the transport authorities.
  - Create arenas for dialogue and negotiations, taking into account that such will be institutionalised in the future.

The reports also depict good examples of existing cross-border cooperation and illustrate platforms for joint development work – among others the newly-appointed workgroup for cooperation between Nordic authorities, border committees, and the Nordic Council's Growth and Development committee.

### **Dialogue Meetings – A Joint Picture of the Situation and Consensus on Measures**

The data produced by the projects about national infrastructure planning systems has been communicated to the Finnish, Swedish and Norwegian transport authorities at three national dialogue meetings and a concluding joint meeting with all four authorities: the Norwegian Railway Directorate (Jernbanedirektoratet), the Norwegian Public Roads Administration (Statens vegvesen), the Swedish Transport Administration (Trafikverket) and the Finnish Transport Agency (Liikennevirasto). In addition, regional representatives have been invited to the national meetings. Representatives from the Nordic Council and the Swedish Shippers' Council (Näringslivets Transportråd) participated in the concluding joint meeting.

The purpose of the three national dialogue meetings was to converse about the current situation in the respective countries regarding infrastructure planning from a cross-border perspective, and hopefully reach an understanding on a joint situational picture, especially in terms of the significance of cross-border transports and infrastructure, but also regarding the barriers and problems that



have been identified, not to mention the possibilities for development towards a deepened cross-border perspective and planning work.

The aim of the concluding meeting at Arlanda airport was to summarise the results from the national dialogue meetings and, together with the representatives from the economic life and the Nordic Council, agree on how the work for the development of a cross-border approach can be strengthened so that it receives a foothold in national infrastructure planning.

The dialogue process accomplished a joint situational picture and a consensus on the need to treat the deficiencies caused by existing national structures. There is a will to implement concrete measures in order to create a deepened cross-border approach and, consequently, achieve a more effective way of planning and investing in infrastructure in the respective countries and on a Nordic level.

### **Summary, Conclusions and Proposals**

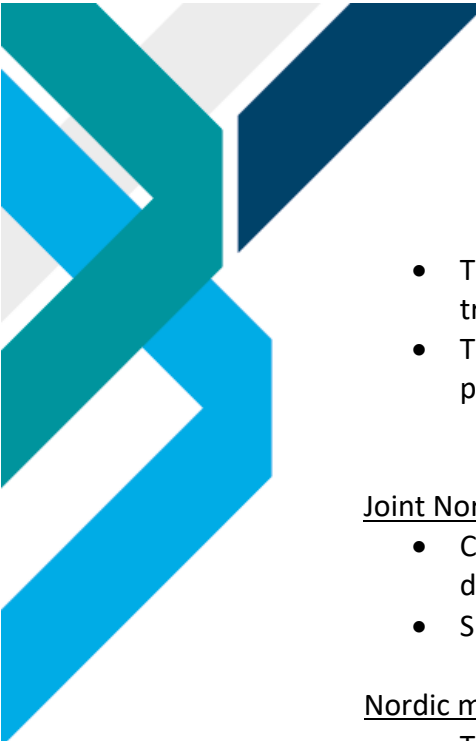
In order to guarantee a functional and macro-economically effective Nordic transport system, a deeper cross-border approach must be developed and Nordic cooperation within transport planning must be strengthened. Only then can the deficiencies in macro-economic efficiency that have been caused by current national structures be amended. This is in line with the Nordic Council's current proposal concerning a Nordic transport policy. We should aim for joint Nordic gap and measure-selection analyses, in addition to joint dialogue in terms of prioritisation and financing.

In the short term, there is room for gradual development work within the framework for the existing national legislation and planning systems. The transport authorities can initiate various efforts in the form of surveys and analyses as well as proposals for measures.

The next decision concerning the national transport plans in Sweden and Norway – and possibly also in Finland – will be taken in 2021. This affords a temporal possibility to create a joint picture of a cross-border transport system. The following list of draft measures was presented at the joint meeting with the transport authorities:

#### A government assignment on the cross-border perspective and contents in the national transport plans ahead of the coming planning round

- The Finnish, Swedish and Norwegian transport authorities must visibly integrate their work.
- The transport authorities must create joint needs and gap analyses.

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- The planning round must contain a separate section on cross-border transport infrastructure.
  - The E12 region is made into a Nordic pilot for cross-border, Nordic planning with a cross-border transport plan.

#### Joint Nordic financing of cross-border measures

- Create arenas for negotiations and the development of gap analyses and draft measures.
- Suggest alternative financing models for measures.

#### Nordic models, methods and tools

- The national models for the analyses of freight and passenger transports do not apply to cross-border projects. The same is true for the macro-economic measure analysis. The continued survey of models and methods must be implemented. Relevant data must be secured via standardisation and quality control.
- Nordic transport models for freight and passenger flows must be developed.

#### Digitalisation

- Take a Nordic grasp on the transport system's digitalisation. This has been emphasised in the national transport plans and other steering documents. The Nordic transport authorities must deepen their cooperation and, among other things, ensure that the digital infrastructure is built in a cross-border manner, taking into account the need for a knowledge base for the choice of measures and for the development of autonomous vehicles.
- Create a joint Nordic workgroup for the digitalisation of the transport sector.
- Implement joint development, test and pilot projects. Compare with Aurora Borealis (E8), Nordic Way 1 and 2.

In addition to the proposed government assignments in the abovementioned list, the governments must allocate clear assignments to their respective transport authorities to systematise and integrate the cross-border dimension into their regular work.