



Impact of Transport Infrastructure on International Competitiveness of Europe

project number 314395 – 7th Framework Programme of the European Commission

Newsletter no 1 – January 2013

Editorial

Welcome to the first issue of the I-C-EU Newsletter.

This newsletter provides information on the I-C-EU project progress, important upcoming events and other news. It is addressed to the I-C-EU network, policy makers and the scientific community.

The I-C-EU consortium will publish four issues during the 2-year project period. Each issue is available both in PDF and accessible HTML format via:

<http://www.i-c-eu.eu/newsletters/index.htm>

The first issue contains the project presentation, current developments and upcoming events.

Project presentation

What is the I-C-EU project about?

I-C-EU is a 2 year FP7 project that studies the relationship between transport infrastructure and competitiveness, by exploring the state-of-the-art of the methodology and assessment tools for public and private investments in transport infrastructure. The project explores and further develops the current assessment methodology. The existing framework for policy intervention will also be analysed and some improvements will be proposed. The practical use of this improved framework will be tested on a representative set of transport projects.

I-C-EU will provide recommendations to the European Commission for interventions, in order to enhance the international competitiveness of Europe as well as between its countries and regions.

The project started in October 2012 and will finish in September 2014.

What could people expect from the project?

The project will produce three main outputs:

- A synthesis of the relationship between transport infrastructure investment, competitiveness and economic growth
- An improvement of the methodology used to assess the impacts of transport infrastructure investments especially on competitiveness and economic growth
- A synthesis of recommendations on assessing EU policy in transport infrastructure investments in respect of competitiveness and economic growth





What are the activities?

I-C-EU starts with a methodological study. The main objective is to define the issue of competitiveness and to explore the state of assessment methods used to evaluate transport infrastructure projects. The project involves a set of selected case studies which represent all transport modes and different EU regions, and which affect accessibility to the international market.

The project also considers transport and economic models in the analysis of competitiveness and regional growth by studying a number of tools. This activity aims at analysing ex-post modelling results, determining if competitiveness and regional growth were taken into account by those tools and formulating possible improvements.

Finally, the project provides an overview of EU policy cases. It establishes a set of indicators to be used at country or regional level, comprising the direct and indirect impacts of transport infrastructure investments. Furthermore it elaborates a set of recommendations on the assessment of transport infrastructure investments.

During the project, the consortium will organize three workshops, publish four newsletters and actively take part in various related European forums and events. The consortium encourages stakeholder participation, particularly by sending us inputs and project aspirations. The project website is: www.i-c-eu.eu

Current developments

Competitiveness: the concept and context

The project has delivered its first findings. These comprise a literature review on the concept of competitiveness and regional growth in relation to the methodology used to assess transport infrastructure investments.

Competitiveness can be defined in a narrow sense as:

The extent to which firms in a particular region can compete with those elsewhere. Critical factors for competitiveness are those that determine the level of productivity in a region in relation to other regions.

However, broader definitions also exist, especially in the language of policy. In most of these cases, the regions considered to be competitive are simply the successful ones, without a theoretical or empirical base.

The Deliverable 1.1 will be publicly available beginning of April 2013 and will contain survey results on the current literature definitions, as well as some of the analyses of factors influencing competitiveness. The Deliverable will also give a brief overview of two appropriate economic models for regional growth, as well as some recent empirical work on competitiveness.

Case studies

A case study analysis will be conducted in Work Package 2 of the project. The objectives of this work package are:

- To compile data on infrastructure projects in selected European countries for which a Cost Benefit Analysis (CBA) is available
- To review the current infrastructure project assessment practices in Europe regarding the impacts on competitiveness and economic growth

- To screen transport infrastructure projects in order to determine the conditions under which these impacts could be important
- To analyse particular cases and produce estimates in order to illustrate the improved methodology

At the moment data of 27 cases of European transport infrastructure project investments, representing different transport modes and geographical areas, are being compiled by the consortium. A screening will be conducted and will result in a selection of five cases where in-depth analysis applying methodological improvement of the assessment will be performed.

The results of the case studies analysis will be publicly available by September 2013.

The first I-C-EU workshop

The first project workshop was held in Leuven, Belgium on Monday 21 January 2013 with the title: *Assessing Impacts of Transport Infrastructure Investments on Regional Competitiveness – How far can we go?*

During the workshop, apart from the project introduction the consortium also presented its preliminary findings, especially in terms of literature review results on the issue of competitiveness and regional growth and the preparation of the case study analysis as mentioned previously.

External speakers from different working sectors shared their experiences in assessing transport infrastructure project investment, i.e. Sebastian Hyzyk (European Investment Bank), Carl Koopmans (Vrije Universiteit Amsterdam), Mark Finan (Mott MacDonald), and Hugues du Pelloux (Sanef).

The workshop also included a breakout session where participants were divided into small groups to discuss experiences with the concept of competitiveness in a transport setting as well as with Cost-Benefit Analysis.



As a part of dissemination effort, the project has also the intention to cooperate with related FP7 projects. For this purpose, two speakers from other projects also gave presentations, namely Massimo Moraglio (TU Berlin) on the *Responsible Innovation Agenda for Competitive European Transport Industries up to 2050 (RACE2050) project* and Jens Schippl (Karlsruhe Institute of Technology) from the *Future Prospects on Transport Evolution and Innovation Challenges for the Competitiveness of Europe (FUTRE) project*.

Among the issues raised during the discussion were the roles played by other factors than transport infrastructures on competitiveness and economic growth, and the geographical scope & magnitude of the wider economic impacts. Workshop results are used as inputs for the four technical work packages of the project.

Upcoming events

Questionnaire

The consortium is currently running a questionnaire downloadable at:

<http://www.i-c-eu.eu/questionnaire/index.html>

The consortium invites interested stakeholders to take some time to answer a number of questions and to send the completed questionnaire as input to the I-C-EU via its project coordinator by **20 February 2013**.

Associated Partner Group Formation

Researchers, scientists, policy makers, industry representatives, and consultants are the main users and beneficiaries of the I-C-EU project. They are invited to join the Associated Partner Group (APG) for the exchange of practices, knowledge and visions. APG Members will be the first external stakeholders to be updated with project news. They have the opportunity to attend the I-C-EU workshops and to review project deliverables.

To become a member of the APG, please apply by e-mail to project coordinator by 13 February 2013. Due to the limited budget, not more than five candidates will be selected by the consortium to form the APG.

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- Uniwersytet Gdański (UG), Poland
- Fundación de Estudios de Economía Aplicada (FEDEA), Spain

