

GOVERNANCE APPROACH TO EUROPEAN TRANSPORT POLICY

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Abstract

Transport is fundamental to every society and to every economy. That is why, in the European Union, many investments are focused on transport and infrastructure in order to generate jobs, to make work and travel easier for European citizens and to facilitate businesses.

By cooperating and working together at different EU levels of decision (European, national, regional, local, transnational), these objectives of transport policy will be achieved more easily and the policy output will be a legitimate one. For a better understanding of a Governance Approach to European Transport Policy, my essay will focus on a particular case – Danube Bridge II. In March 2000 an agreement was signed between Romania and Bulgaria to build a new bridge over Danube due to the intense and constantly increasing traffic between the border regions of the two countries. The new bridge is part of the Pan-European Transport Corridor IV and it will significantly shorten the distance between the Western and the South-Eastern Europe.

The purpose of this essay is to demonstrate that different levels of decision were involved in building the second bridge over Danube and how did these levels cooperate.

Keywords

Levels of decision, public/non-public actors, cooperation, network, governance.

1. INTRODUCTION

Europe and Europeans are linked through networks of transport, energy and telecommunications. Although these networks are dense, they are not complete yet. That is why European Union needs investments in these areas in order to grow, to generate jobs and to facilitate work and travel for European citizens and for businesses (http://europa.eu/pol/trans/index_ro.htm).

European Transport Policy is one of the E.U. first common policies, created in 1957 by the Treaty of Rome. It played and continues to play a significant role in the functioning of the European Union and of the Single Market by guaranteeing the free movement of goods and persons. In the 1990s, a series of Pan-European Transportation Conferences were held in order to identify the needs of the Eastern European countries and their poor infrastructure system. Ten Pan-European Transport Corridors were set during this decade as the main transportation arteries to connect Western and Eastern Europe.

Romania is part of three Pan-European Corridors: IV (Berlin-Istanbul), IX (Helsinki-Alexandropoulos) and VII - The Danube River Corridor. The Danube Bridge II represents the southern part of the Pan-European Transport Corridor IV. The new bridge will significantly shorten the distance between the Western and the South-Eastern Europe and that is why European Union finances, through the ISPA Programme¹, the project managed by the two riverside countries, Romania and Bulgaria. Because of the intense and constantly increasing traffic between the border regions of these countries, an agreement was signed in March 2000 to build a second bridge over Danube that will be added to the only bridge linking the two countries on a 400 km border.

The role of this bridge is significantly important both for the European Union and for the two countries. The main purpose of the new bridge is to facilitate both road and rail transport on the southern part of Pan-European Transport Corridor IV and to link South-Eastern transport arteries to the main European transport corridors. Therefore, European Union interest in creating this bridge

¹ ISPA is an Instrument for Structural Policies for Pre-Accession that, along with PHARE and SAPARD, helps candidate states in their accession process. ISPA finances transport infrastructure and environmental projects.

is obvious, but the regional role of Danube Bridge II can not be ignored. It will connect south-west Romania to north-west Bulgaria through a fast and modern link, bringing an improvement to the transport service quality as a whole. It will also facilitate Romanian and Bulgarian local business access to EU international markets, it will raise investments and living standard in this region and it will increase the competitiveness of Bulgarian and Romanian economy.

The impact of the Vidin-Calafat Bridge construction on the regional development was experienced even during the construction works because over 980 job positions were generated for the period (<http://www.danubebridge2.com/historyeng.php>). Besides these aspects, the Danube Bridge will also stimulate the tourism in the Danube region by facilitating access to the region. The project has a social effect as well, by re-establishing cultural and traditional relations between Romanian and Bulgarian regions and towns.

My analysis on European Transport Policy will focus on this particular case because of its importance and implications, but also because it provides a relevant case study for European Governance.

2. ARE THERE GOVERNANCE ELEMENTS IN EUROPEAN TRANSPORT POLICY?

Do governance elements apply to European transport policy and can we find these elements in the project of Danube Bridge II? These are the main two questions my essay will try to answer. By finding the definition of each governance element, I will try to apply it to the European transport policy and to the particular case of building the second bridge over Danube.

In doing so, some governance elements will find their appliance in this policy and some of them not. Governance studies have demonstrated that there are situations when not all, but only some governance elements apply to a specific case or to a specific phase in the policy-making process. Therefore, only a thorough analysis of the policy can provide enough references to demonstrate which of the multi-level governance and network governance elements are applicable to the given policy and which are not.

This is what my essay aims to do. To find those governance elements that can be applied to the European transport policy and to analyse them in order to prove that a governance approach to this policy is relevant.

3. GOVERNANCE AS THEORETICAL FRAMEWORK

In policy practice and studies, the term „governance” is largely used but at the same time is one of the least well understood concepts. Despite the large number of studies regarding governance and European governance in particular, the term does not have a unique and widely accepted definition yet. Each author has its own definition of European governance and this is maybe the reason why European citizens find it hard to visualize the importance of European governance.

From the considerable amount of governance definitions, Chhotray and Stoker’s definition is the most concrete and easy-to-understand one. In the book *Governance Theory and Practice. A Cross-Disciplinary Approach*, they refer to governance as it follows: „Governance is about the rules of collective decision-making in settings where there are a plurality of actors or organisations and where no formal control system can dictate the terms of the relationship between these actors and organisations” (Chhotray and Stoker 2009, p. 3).

Facing new problems in European Union, such as the increasingly distrust and lack of confidence of European citizens in poorly understood system and institutions, European Commission sought to reform the European Governance. *The White Paper on European Governance* refers to the way European Union uses the powers given by its citizens and tries to reform it. European Commission proposed, through this White Paper, a more opened policy-making process so that people and organisations get more involved in shaping the E.U. policy, accountability and responsibility for all actors involved. *The White Paper on European Governance* also provides a definition of governance: „Governance means rules, processes and behaviour that affect the way in which powers are exercised at European level, particularly as regards openness, participation, accountability, effectiveness and coherence” (European Commission 2001, p. 8).

In my opinion, this is a vague definition that does not imply all governance elements. The document was also criticised by the European institutions, by

European Parliament in particular, because its position was not specified. Other institutions, like European Union Council, simply ignored the White Paper, the only official EU document about governance.

That is why in this essay, when referring to governance, I have in mind the definition of Chhotray and Stoker presented above.

3.1. Basic concepts

In their definition of governance, Chhotray and Stoker outlined four important aspects of European governance: collective decision-making, plurality of actors and organisations, the absence of a formal control system and the relationship between actors.

Collective decision-making means multiplying the decision levels. There is no longer a single decision level that dominates the subordinate levels, but multiple levels that cooperate so that actors involved in the policy-making process can achieve a collective decision in order to respond to the needs of the citizens. In the European Union, the levels involved in the decision-making process are: supranational level (EU institutions), national level (national governments through specific ministries), subnational level (regional or local authorities) and the transnational level, usually involving different types of actors (public – non-public) that cooperate across borders.

Plurality of actors and organisations refers to the fact that governance includes several actors, both public and non-public, in the decision-making process. There is no longer only one actor to decide what is best for the citizens and to implement policies. These actors work collectively, in their own different ways, in order to achieve a collective decision and to implement those policies that best respond to citizens' needs.

The absence of a formal control system does not refer to the lack of power. Power still exists but is no longer centralised, it is now divided between different actors involved in decision-making process. The state remains the principal and the most important actor, but it is no longer the only one and its role is diminished to only coordinate the process.

The relationship between actors has changed as well, meaning that it is no longer a hierarchical relation. The actors cooperate now and there is no central power to dictate the terms of this relation, the power being dispersed between the actors.

3.2. Multi-level Governance

The phrase „multi-level governance“ was first used by Gary Marks in 1992 referring to the developments in EU structural policy after its great reform in 1988 when governments accepted the Commission’s proposal that funds must be administrated through partnership between representatives of national, regional or local and supranational actors. From studying this situation, Gary Marks developed the concept of multi-level governance (Bache and Flinders 2004, p. 3). In 1992, Marks defined multi-level governance as “a system of continuous negotiation among nested governments at several territorial tiers” (Marks 1992, p. 392).

A definition that best describes multi-level governance and that includes all its elements is Schmitter’s definition which states that: “Multi-level Governance can be defined as an arrangement for making binding decisions that engages a multiplicity of politically independent but otherwise interdependent actors – private and public – at different levels of territorial aggregation in more-or-less continuous negotiation/deliberation/implementation, and that does not assign exclusive policy competence or assert a stable hierarchy of political authority to any of these levels” (Schmitter 2004, p. 49).

3.3. Network Governance

Network governance is present in the domestic affairs of highly industrialized states for a long time; many authors consider network governance as a significant solution to a whole variety of problems relating to governance within and beyond the nation-state (Börzel and Panke 2007, p. 153).

Governance networks can be defined as: “1. a relatively stable horizontal articulation of interdependent, but operationally autonomous actors; 2. who interact through negotiations; 3. which take place within a regulative, normative, cognitive and imaginary framework; 4. that is self-regulating within limits set by external agencies; and 5. which contributes to the production of public purpose” (Sørensen and Torfing 2007, p. 9).

4. GOVERNANCE APPROACH TO EUROPEAN TRANSPORT POLICY

4.1. European Transport Policy

Transport is indispensable to every society and every economy because it generates growth and jobs, it facilitates work and travel for citizens and also facilitates companies access to the world economy. That is why, in the European Union, many investments are focused on transport and infrastructure.¹

European Transport Policy is one of the E.U. first common policies. Its objectives, set down in the Treaty of Rome in 1957, are to remove the borders between member states and to guarantee two of the four Single Markets freedoms – goods and persons. Little progress was recorded up until mid 1980's² when The White Paper on completing The Single Market was published (1985) and the Single European Act was signed (1986). The two documents turned European Transport Policy into an important component of overall Community Strategy.

In the 1990s, a series of Pan-European Transportation Conferences were held in order to identify the needs of the eastern European countries and their poor infrastructure system.³ Ten Pan-European Transport Corridors were set during this decade as the main transportation arteries to connect Western and Eastern Europe and to provide connections within the Eastern Europe itself. Being part of three of these corridors, Romania's main objective is to reduce its transport and infrastructure gaps and deficits and to become an integrated part of the Trans-European Transport Networks (TEN-T). TEN-T imply a single European transport network including all means of transport: by land, by sea and by air,

¹ Transport industry represents over 6% of EU Gross Domestic Product, over 6% of workforce, 40% of member states investments and 30% of energy consumption.

² Due to member states cautious attitude regarding sovereignty transfer in this domain.

³ After the collapse of the Soviet Union, ex-communist countries expressed their desire to join the European Union. Because of their poor transport and infrastructure system and the differences from the Western countries, important measures were required to integrate all transportation networks in the Eastern Europe.

it provides international connections and it enables free movement of good and persons within the Single Market and in third countries.

Through its geographical position, Romania is a crossroad of international transport networks linking both North and South Europe and West and East Europe as well. Moreover, its territory is crossed by the Danube River and it borders the Black Sea. These aspects offered Romania a privileged position in the accession negotiations where, during debates on Chapter 9 regarding „Transport Policy“, Romania accepted the entire community *acquis*.

4.2. Governance elements in Transport Policy

For many years, transport between Romania and Bulgaria was limited to only one bridge over Danube that links the two countries on a 400 km frontier. A new bridge, financed by the European Union through the ISPA Programme, will strengthen both transport and trade between Romania and Bulgaria but also between The South-Eastern Europe and Western Europe. The start of the construction was postponed several times due to bureaucratic obstacles. As scheduled, this second bridge over Danube should have been ready at the end of 2012, but several unexpected situations delayed the inauguration. The inauguration eventually took place at June 15, 2013 in the presence of Jose Manuel Barroso – president of the European Commission and Johannes Hanh – European commissioner for Regional Policy.

The bridge construction was possible thanks to EU funding, which was needed to complete the project because the national contribution of the two countries was not enough. The entire investment was estimated at Euro 274 millions, in which 39% represents the ISPA grant. But it is believed that the delays rose up the price of the constructions. The EU Strategy for the Danube Region and The Danube Bridge 2 project also required the modernisation of infrastructure on both sides of the river. Therefore, Romania and Bulgaria need to invest money in their adjoining infrastructure as well in order to provide access to the new bridge.

According to „Gazeta de Sud”¹, since 2000 until now meetings between different levels of decision took place in order to discuss aspects of the project and to reach a collective decision regarding the construction of the bridge. A Romanian - Bulgarian Joint Commission on Vidin - Calafat Danube Bridge Construction was created in this purpose, gathering members of the two Governments and members of the local authorities of the border regions of Romania and Bulgaria. Several meetings also took place between the local authorities and European officials and commissioners to discuss technical and financial aspects of the project.

In defining governance, Stoker outlined the fact that governance is about rules of collective decision making, meaning the multiplication of decision levels involved in the policy-making process. As shown above, in the particular case of Danube Bridge II construction, three such levels were involved: supranational level represented by the European Union, national level represented by the governments of the two countries involved in the project and the subnational level represented by the local authorities of the border regions of Romania and Bulgaria. The relation between these public actors involved in the process was materialized in meetings and debates. Moreover, the financial implication of the first two levels and their cooperation in financing the project strengthen even more the networks created between these levels of decision.

According to Gary Marks definition, multi-level governance implies a continuous negotiation between several nested levels of decision. In the particular case of Danube Bridge II construction multi-level governance is clearly applicable. As in the case of EU structural policy after its reform in 1988, in transport policy different levels of decision are involved as well. There are no more relationships based on subordination, there is no hierarchy between public actors, but cooperation-based relationships.

But public actors aren't the only ones involved in the Danube Bridge II project. Governance definition states that there are a plurality of actors and

¹ Regional newspaper that, since 2000 when the agreement was signed until now, has supervised the project and informed the citizens in the border region of Romania (Oltenia) about the implementation stage and the problems encountered by the project. The monitoring of the project is provided by several agencies and „Gazeta de Sud” is the media partner of the monitoring process. Most of the information in this essay comes from „Gazeta de Sud” archive.

organisations involved. Non-public actors, including interest groups, non-governmental actors, different types of organisations or agencies, are also part of the policy-making process, usually by providing technical information, consultations or suggesting alternative courses of action. Although only consulted on EU policy, they are sometimes considered more democratic, more decentralized, more effective and less bureaucratic instruments than public administration (Eising 2007, p. 210).

According to the above mentioned regional newspaper, „Gazeta de Sud”, eighteen construction firms¹ expressed their interest in consulting this project in terms of engineering and management. The Spanish Fomento de Construcciones and Contratas group company (FCC)² won the competition and was responsible for developing the project and for realizing the construction. As Rainer Eising shows in his work „Interest Groups and The European Union”, business interest groups outnumber non-business interest groups in the EU and large firms belong to this business category. EU institutions prefer to cooperate with this kind of organisations as they are able to agree more easily than other European interest groups that gather national interest groups (Eising 2007, p. 212).

Another non-public actor involved in the Danube Bridge II construction is the Local Executives of Small and Medium-Sized Enterprises Calafat (PLIMM)³. Along with Danube Euro-region Civil Forum, Agency for Regional Development and Business Center Vidin and Transparency International, PLIMM provided the monitoring of the project. These non-governmental organizations formed the Coalition for Civil Monitoring of Vidin - Calafat Danube Bridge Construction (http://decf.org/DECF_meetings.htm). The media partner in the monitoring progress is „Gazeta de Sud” newspaper that provided citizens in good time relevant information about the project.

¹ Coming from European Union member states and candidate states as well.

² This group leads the Spanish building and services market. FCC also won the competition to build the Basarab Passage in Bucharest, Romania in 2006.

³ PLIMM is a non-governmental organisation; its purpose is representing and sustaining the interests of small and medium-sized enterprises at the local and regional level in their relation with public administration, national and international organisations, dynamic implication in promoting development opportunities and attracting favourable finances for Calafat area.

By multiplying the decision level and the type and number of actors involved in the policy-making process, the role of the state is no longer the same, it is diminished. State is not replaced, it remains the main actor but it is no longer the only one. States were not the only actors in the project; in building the second bridge over Danube between Romania and Bulgaria, the two states cooperated with the European Union that has a continuous increasing role in the process, and also with the subnational level in order to implement the project.

Network Governance elements are also present in this particular case of European Transport Policy. In his definition of governance, Torfing states that this kind of networks refer to negotiations between interdependent, but autonomous actors. In Danube Bridge II case, these actors are the Bulgarian Government and FCC¹. Their relation is based on negotiation rather than being a hierarchical relation. Torfing definition says that these negotiations take place within a regulative, normative and cognitive framework that is self-regulated within limits set by external agencies. In the case study, the framework is represented by the contract signed between the two actors in January 2007 and the external agency that sets the limits is the European Union. Limits in this case refer to the financial aspect, European Union is the main financier of the project through its ISPA Programme; therefore, it is the one to set the budget limits. The last aspect of Torfing definition regards the outcome of the negotiations, which is a public good. In this case, the public good is obviously the Danube Bridge II between Romania and Bulgaria that will provide an easy access to the neighbouring trans-danubian regions.

Networks are based on exchange of resources and / or trust and within such networks public and private actors cooperate on a non-hierarchical basis in the making of public policies. Although there is no official definition of networks, the literature has agreed on two characteristics of networks: the equal involvement of public and private actors and a non-hierarchical coordination between the actors (Börzel and Panke 2010, p. 154). The Ministry of Bulgarian Transport (public actor) and FCC (non-public actor) cooperate on a non-

¹ The bridge construction is actually a Bulgarian project. The contract between Bulgarian Ministry of Transport and Spanish company FCC was signed on January 30, 2007, valuing Euro 100 millions.

hierarchical basis of coordination in order to implement a collectively binding decision regarding the construction of Danube Bridge II.¹

The Coalition for Civil Monitoring of Vidin - Calafat Danube Bridge Construction is also a governance network created as shown above in order to protect the local interests, to make sure that the contract conditions and the international standards for transparency are fully complied. The Coalition created a network between non-public actors. This actors are both Romanian (The Local Executives of Small and Medium-Sized Enterprises Calafat) and Bulgarian (Agency for Regional Development and Business Center Vidin), but also international NGO's like The Danube Euroregion Civil Forum (a civil society forum for NGO's in the Danube region) and Transparency International (a NGO that aims to prevent and to fight against national and international corruption by researching and informing the civil society).

5. DRAWING CONCLUSIONS

What I tried to show in my essay is that in European Transport Policy elements of European governance are present. Although the construction of the Danube Bridge II was delayed many times and the official inauguration of the bridge was regularly postponed, this project provided a relevant case study of European governance. In analysing the project, elements of European governance were visible from the moment the agreement was signed.

In the first place, elements of multi-level governance are the most obvious. This type of governance questions the centrality of the national actor in the policy-making process. In the particular case of building the second bridge over Danube supranational, national and subnational levels were involved and the role of the state was diminished by the implication of the other two levels.

Secondly, non-public sector is also represented in the project. An important feature of governance, especially network governance, is the involvement of non-public actors in the policy-making. Non-hierarchical coordination exists in the relation between these actors, meaning that non-public actors involved in the project were as important as European Commission and national

¹ Through this cooperation, transnational level is involved in the project as well.

governments were in implementing the project, at least officially; in the young EU member states like Romania and Bulgaria, the relations between public and non-public sector only have a formal institutional framework. The Romanian Parliament, for example, does not have a specialized structure regarding partnership with the civil society but only procedures in this regard. Last but not least, governance networks are also present in this particular case of Danube Bridge II. The Coalition for Civil Monitoring of Vidin - Calafat Danube Bridge Construction is a fair example of this kind of network.

To sum up, governance is part of Transport Policy in the EU and its elements apply to the given case of Danube Bridge II although important steps must be taken by the member states and by the EU institutions as well. In order to establish a democratic governance, the five principles of good governance set down in the Commission's White Paper in 2001 must be followed: openness, participation, accountability, effectiveness and coherence.

In my opinion, in this case, study governance elements are involved but not completely and as I said before important steps regarding partnership with the civil society must be taken especially by new member states and by candidate states.

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