C/2025/2009

30.4.2025

Opinion of the European Economic and Social Committee

The physical completion of the EU's internal market in the new geopolitical situation

(own-initiative opinion)

(C/2025/2009)

Rapporteur: **Päivi Elina WOOD**

Advisor	Tellervo KYLÄ-HARAKKA-RUONALA (for the rapporteur)
Plenary Assembly decision	24.10.2024
Legal basis	Rule 52(2) of the Rules of Procedure
Section responsible	Transport, Energy, Infrastructure and the Information Society
Adopted in section	5.2.2025
Adopted at plenary session	26.2.2025
Plenary session No	594
Outcome of vote (for/against/abstentions)	208/0/2

1. Conclusions and recommendations

1.1. Transport connections are crucial for the completion and proper functioning of the single market, and trans-European network (TEN-T) policy should be seen as an essential element of improving the EU's global competitiveness, security and territorial cohesion. The current geopolitical situation further emphasises the role of transport and logistics. The objective of this own-initiative opinion is to evaluate how transport infrastructure and connections should be improved in response to the new and changing situation.

1.2. The EESC highlights that transport networks must always be considered in their entirety, in terms of the various transport modes, with specific attention to the nodes such as ports and airports that enable multi-modality. While it is vital to facilitate transport in the central and most intensively used parts of the transport network, it is also of crucial importance to provide peripheral areas with good connectivity and proper access to the single market. The consequences of recent crises for connectivity within the EU need to be recognised and addressed in an appropriate manner.

1.3. In addition to urgently addressing the existing deficiencies in the transport network, the EU must ensure that the network is aligned with the new needs of economic and geopolitical security, including greater reliance on domestic production and the single market, with the aim of improving the security of supply of raw materials, components and products. Moreover, the EESC calls for more emphasis to be placed on the dual use of infrastructure, while also working together with NATO.

1.4. Cooperation and connectivity with third countries also need to be developed, both for export purposes and for enabling the diversification of supply chains and imports, while protecting against security risks and respecting social and environmental standards. The EESC emphasises the vital role of transport in enabling and contributing to partnerships with like-minded countries both on other continents and in the EU's neighbourhood, with specific attention to EU enlargement.

1.5. The EESC finds it crucial to focus more efforts on improving the resilience and reliability of transport systems. Strengthened contingency planning is necessary to be properly prepared for managing various kinds of hybrid risks, including cyber threats and physical attacks on transport infrastructure. Given that transport, energy and digital systems are increasingly interlinked, they need to be developed in a compatible way, and the security of critical infrastructure must be ensured. Also ensuring the availability and functioning of fuel infrastructure.

1.6. The EESC draws attention to the impacts of the geopolitical situation on the green transition as well and calls for proper investment in finding competitive ways of ensuring secure access to the key technologies, energy and raw materials necessary for the green transition of the transport sector. The EESC also emphasises the urgent need for preparing for and managing the consequences of the climate crisis on transport systems.

1.7. The EESC finds it imperative that in the next MFF an appropriate level of funding is allocated to investment in the development and maintenance of transport infrastructure in a well-targeted manner, starting with the objective of completing the TEN-T Core Network by 2030. The next Connecting Europe Facility needs to be focused on cross-border projects, as well as on projects aimed at removing bottlenecks and bridging missing links in the Core Network and in the Comprehensive Network. From the comprehensive security point of view, it is important to improve the vitality and single market connections of the EU's border regions. In allocating finances, both the short- and long-term benefits of transport infrastructure, including the generation of growth and jobs, need to be considered.

1.8. To ensure a future-proof European transport system, the EESC calls for intensive cooperation between various actors, as well as comprehensive and strategic analysis regarding existing obstacles in the transport market and the long-term consequences of previous crises to supply chains, accompanied by the evaluation of the demand for new technological solutions and administrative improvements to respond to the challenges and development needs.

1.9. Due attention should also be paid to the human resources needed in the transport sector. This calls for steps to facilitate labour mobility, enhance competences and skills, and make the transport sector more attractive.

2. **Background**

2.1. The completion of the single market needs to be high up on the EU's agenda and requires urgent action in order to increase Europe's competitiveness and prosperity. The trans-European network (TEN-T) policy is one of the key tools for linking up the EU's Member States, businesses and citizens to create the single market area. Proper transport infrastructure and the related transport services are a prerequisite for the free movement of people and goods and a concrete example of the value of EU freedoms for citizens. Digital infrastructure is integrally connected to transport infrastructure and therefore needs to be developed accordingly. Fostering a more connected single market would enable further increases in trade and contribute to the EU's global competitiveness.

2.2. Transport networks also play a vital role from a comprehensive security point of view, from economic to military security. Logistics are a key factor when it comes to the security of supply chains for industrial products and everyday commodities within the single market. Transport connections also enable international trade, which – together with the single market – is necessary for the economic security of the EU. Moreover, transport infrastructure enables the mobility of people and material for defence purposes. However, transport infrastructure itself is vulnerable to security risks, including both physical and cyber threats.

2.3. A well-functioning, coherent and secure transport infrastructure is thus not only necessary for the single market in its own right, but also crucial if the EU wants to be in a stronger position on the world stage and increase its capacity to respond to international challenges. EU enlargement is another aspect that underlines the importance of transport connections, with a view to the future needs of a wider internal market.

2.4. However, there are still many transport-related barriers that should be removed to fully harness the untapped potential of the single market. Moreover, new challenges and demands have emerged due to the significant changes in the geopolitical and geo-economic situation, arising, inter alia, from Russia's war of aggression against Ukraine and the increase in multiple types of hybrid operations, the fragmentation of the global economy and trade, accompanied by increasing protectionism and competition for critical resources, as well as the aftermath of the impacts of the pandemic on supply chains and transport connections.

2.5. It is of the utmost importance that the necessary action is taken to tackle both the existing deficiencies of the EU's transport network and the new and growing challenges posed by the geopolitical situation. This also applies to international transport connections that need to be considered from both the economic and security points of view, with the aim of managing the economic and geopolitical security risks, while supporting new economic partnerships.

2.6. It must be recognised that the Member States have faced the new geopolitical situation in a range of different ways with regard to the different transport modes, especially when it comes to connectivity and access to the single market, but also in terms of international connections.

2.7. The objective of this own-initiative opinion is to evaluate how the current geopolitical situation is affecting the physical transport connectivity needs in the single market and how the EU's transport infrastructure should be developed in response to the new and changing situation. Furthermore, the opinion puts forward policy measures that can deliver the improvements in practice. This is particularly relevant and topical now, in the beginning of the new term of office for the EU institutions.

3. **Development needs regarding the EU's transport connections and infrastructure**

3.1. ***A fit-for-purpose transport network***

3.1.1. There is a compelling need to complete the TEN-T network as agreed by the co-legislators, in order to contribute to the proper functioning of the single market and the achievement of the EU's sustainable mobility objectives, as well as to strengthen territorial cohesion between the Member States.

3.1.2. Increased global risks have made it all the more important for the EU to ensure the security of supply of energy, raw materials, components and products, with a specific focus on critical raw materials. This means both diversification of external partnerships and strengthening the EU's own production capacity, while also facilitating access to domestic energy and raw material resources, including in the Arctic and other areas rich in natural resources. This applies to a wide variety of sectors, from primary production to various sectors of industry. The EU's transport networks must be up to the task of responding to these developments and provide better conditions for co-modality and the use of various transport modes, including freight transportation by rail.

3.1.3. The same goes for the distribution of products. Greater reliance on the single market makes it imperative to streamline freight logistics and the delivery of consumer products and adapt to new developments in production and supply chains. While it is vital to facilitate transport in the central and most intensively used parts of the transport network, it is also of crucial importance to ensure that the network provides peripheral areas with good connectivity and proper access to the single market.

3.1.4. A lot more emphasis also needs to be placed on the security aspects, including defence needs, within the framework of TEN-T policy and in the Connecting Europe Facility. The military mobility action plan for 2022-2026 ([1]) must thus be properly implemented, with a keen eye on the ongoing developments in geopolitical circumstances and on preparing for future needs.

3.1.5. The transport network must always be considered in its entirety, in terms of the various transport modes, with specific attention to the nodes enabling multi-modality. European ports, from north to south and from east to west, and their hinterland connections are essential to the safety, security and functionality of societies. It is therefore necessary to evaluate – including in terms of defence policy – which ports are critical, even if they are not listed in the Core or Comprehensive Network set out in the TEN-T regulation. The same logic holds for aviation and airports.

([1]) https://defence-industry-space.ec.europa.eu/document/download/c3d3067c-6d9a-4f95-9a69-4dd99c340188_en?filename=Action%20plan%20on%20military%20mobility%202.0.pdf.

3.2. ***Improved resilience of transport systems***

3.2.1. The prevailing geopolitical situation brings into sharp focus the importance of the resilience and reliability of the EU's transport systems. This also calls for strengthened contingency planning to be properly prepared for various kinds of risks and their management.

3.2.2. Cyber threats and physical attacks on the transport system can cause disruption to all transport modes, and hence to the functioning of society as a whole. Increased GPS interference, particularly in maritime transport and aviation, needs to be addressed, to prevent the creation of areas in the EU where safety requirements are not complied with or where companies cannot or do not want to operate any longer. The economic consequences of de facto no-go areas in the EU for transport operators would also be excessive for EU Member States and economic operators.

3.2.3. Given that transport, energy and digital systems are increasingly interlinked, they need to be developed in a compatible way. The security of the transport system must be considered in the overall context of the critical infrastructure. For example, with the electrification and digitalisation of transport, there is a growing need to be prepared to manage both electricity supply disruptions and cybersecurity attacks. It is also important, especially in crisis situations, to have a functioning fuel infrastructure as well as sufficient reserves.

3.2.4. During the COVID-19 pandemic, supply chains were at risk due to disruptions in international transportation, but also due to the closing of internal borders within the EU. Even after the pandemic some Member States have suffered from reduced connectivity both within the single market as well as internationally. Better preparedness for a range of different crises is thus necessary, building on the experience gained from previous crises, including the use of social dialogue to find solutions.

3.2.5. Geopolitical circumstances also have an impact on the implementation of the green transition, including in the transport sector. Moving away from the use of fossil, developing alternative fuels and reducing dependencies on excessive and risky imports means intensive efforts to find new ways of ensuring a secure supply of and access to the key technologies and raw materials that are necessary for the green transition of the transport sector. This requires strengthening the domestic production capacities and related transport infrastructure in sectors such as extracting and processing of critical minerals, as well as production of hydrogen and biofuels. It must be done without putting the competitiveness of the transport sector at risk but rather by strengthening it. It is also necessary to secure the availability of fuels needed for defence purposes.

3.2.6. The climate crisis also poses risks to transport systems, with increased flooding, storms and other extreme weather phenomena affecting the infrastructure. Proper preparedness and adaptation measures are therefore needed to respond to the impacts of the climate crisis, as underlined in the Niinistö report on civilian and military preparedness and readiness ([2]).

3.3. ***Beyond the single market***

3.3.1. Alongside well-functioning connections within the EU, connectivity with third countries also needs to be strengthened, in a way that protects against security risks and respects social and environmental standards. In response to the impact of Russia's war of aggression against Ukraine, increased measures have been taken to improve connectivity with Ukraine and Moldova as neighbouring countries. In the new geopolitical situation, it is also necessary to ensure firm connections between the EU Member States and the other candidate countries as well as the EEA countries and the UK.

3.3.2. The geopolitical developments have also led to changes in economic partnerships with countries on other continents, with a new emphasis on cooperation with like-minded countries. This requires the development of appropriate international transport connections. While strengthening the security of supply through the diversification of supply chains, it is also important to safeguard proper connections for export purposes. New solutions also need to be found in response to the reduced connectivity that has resulted from the sanctions against Russia, such as bans on the use of airspace for overflights.

([2]) https://commission.europa.eu/document/5bb2881f-9e29-42f2-8b77-8739b19d047c_en.

3.3.3. Promoting a stronger position for European players in global transport is one way of improving the overall economic security of the EU. To this end, a level playing field needs to be established for long-distance transport service businesses, which are required to manage more risks and face higher costs, particularly in aviation and maritime transport. More favourable conditions for Europe's manufacturing industry, including the shipbuilding and aircraft industries, would also help bolster the EU's global influence in the transport sector.

3.3.4. Partnerships on transport infrastructure within the framework of the Global Gateway are another way of strengthening the EU's role globally and expanding connectivity with the TEN-T network.

4. **Enabling policy measures**

4.1. ***Well-targeted allocation of financing***

4.1.1. The financial resources allocated to the development of transport infrastructure in the next Multiannual Financial Framework will play a key role in ensuring that the transport system in its entirety promotes connectivity in the single market and supports competitiveness, security and sustainability. Investments in the infrastructure should not just be seen from a short-term perspective, the longer-term multiplier effects must also be considered.

4.1.2. The role of transport needs to be better recognised as a crucial element in achieving the EU's strategic goals. Accordingly, in the next MFF, an appropriate level of funding must be made available to respond to the needs for investment in the development and maintenance of transport infrastructure, starting with the objective of completing the TEN-T Core Network by 2030.

4.1.3. To support programmes that reflect the EU's strategic priorities, the next Connecting Europe Facility needs to be focused on cross-border projects, as well as on projects aimed at removing bottlenecks and bridging missing links in the Core Network and in the Comprehensive Network.

4.1.4. Given the geopolitical situation, more attention needs to be paid to security aspects, such as the requirements in relation to military mobility and the dual use of infrastructure. For security reasons, the situation at the eastern border regions of the EU must be recognised in the next MFF, including in terms of transport infrastructure to strengthen the resilience and vitality of these regions and their connections to the single market.

4.1.5. The funding required to complete the TEN-T network and develop the EU's transport infrastructure is considerable. However, investments in infrastructure will generate growth and jobs in the short and long run. In addition to public funding, more focus should be put on bridging the financial gaps by enhancing public-private partnerships to build new infrastructure as well as to maintain and manage existing infrastructure for the benefit of all. New instruments such as project bonds could be considered to this end.

4.2. ***Cooperation and strategic analysis***

4.2.1. In order to avoid a patchwork of different systems, the development of transport systems requires cooperation at a number of levels: between the European Commission and the Member States, between the Member States, and between national, regional and local decision-makers. Moreover, it requires international cooperation on foreign transport connections. With respect to security issues, including the protection of critical infrastructure, full use should be made of the strategic partnership and structured cooperation with NATO.

4.2.2. Close cooperation is also needed between the public sector and the relevant stakeholders, including businesses, trade unions and other civil society organisations. Due attention must be paid to the human resources needed in the transport sector. This calls for steps to facilitate labour mobility, enhance competences and skills and make the transport sector more attractive.

4.2.3. To ensure that the transport sector is fit for the future, robust investment in innovation and new technologies is needed. The importance of transport corridors as test beds for future solutions needs to be maintained.

4.2.4. Reducing administrative burden, in line with the Commission's priorities, needs to be reflected in the transport sector as well. The administrative processes related to the development of transport infrastructure need to be streamlined, including land-use planning and permitting procedures, while ensuring the sustainability of the projects. Moving towards more coordinated transport planning, common principles, decreasing fragmentation as well as a planning framework for each six-year period should be further investigated.

4.2.5. With the preparation of a new strategy for the single market, the Commission should evaluate how to improve the transport systems across the EU, in order to secure supply chains in critical and vulnerable sectors, both in regular and exceptional situations. This evaluation must cover all of the geographical areas of the EU, including islands and remote areas.

4.2.6. A comprehensive analysis of the main barriers in the transport market in each Member State is needed to overcome the prevailing fragmentation. A proper analysis needs to be conducted to evaluate the long-term consequences of COVID-19 for transport and supply chains. It is also necessary to assess the impacts of Russia's war of aggression on all transport modes to recognise possible new handicaps in the connectivity of different areas within the EU and to address them in an appropriate manner. The analysis must cover aviation, railways, inland waterways, and short sea shipping routes, as well as roads linking urban nodes, maritime and inland ports, airports and terminals, and different EU regions. The evaluation also needs to consider the impact on internal cohesion and connectivity between the Member States.

Brussels, 26 February 2025.

The President
of the European Economic and Social Committee
Oliver RÖPKE