

TGV MED, VALENCE-MARSEILLE, FRANCE

OVERVIEW

LOCATION: VALENCE-MARSEILLE
SCOPE: INTER-URBAN
TRANSPORT MODE: RAIL
PRINCIPAL CONSTRUCTION: GRADE
NEW LINK: YES

PRINCIPAL OBJECTIVES

TRANS EUROPEAN NETWORK
REGIONAL & INTERNATIONAL LINK
REDUCE TRAVEL TIME
ALTERNATIVE TO AIR AND CAR TRAVEL
EMERGENT OBJECTIVE: STRATEGIC LINK

PRINCIPAL STAKEHOLDERS

CLIENT/FUNDER:
 SNCF (TO 1997); RFF (FROM 1997)
PROJECT MANAGER:
 SNCF
ADDITIONAL FUNDING:
 NATIONAL GOVERNMENT

PLANNING AND IMPLEMENTATION

PLANNING START DATE: 02/1989
CONSTRUCTION START DATE: 02/1995
OPERATION START DATE: 06/2001
MONTHS IN PLANNING: 72
MONTHS IN CONSTRUCTION: 76
PROJECT COMPLETED: 12 MONTHS
BEHIND SCHEDULE

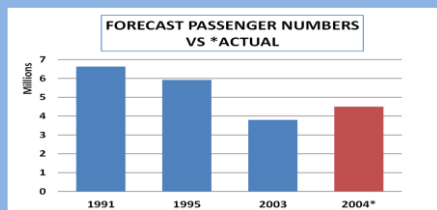
COSTS (IN 2010 USD)

PREDICTED COST: 6.84BN
ACTUAL COST: 6.61BN
PROJECT COMPLETED:
3% UNDER BUDGET
FUNDING: 100% PUBLIC (10% STATE)

INFRASTRUCTURE QUANTITIES

LENGTH: 295KM
NUMBER OF TUNNELS: 9
LENGTH IN TUNNEL: 13KM
NUMBER OF BRIDGES: 23
COST PER KM (IN 2010 USD): 0.02BN

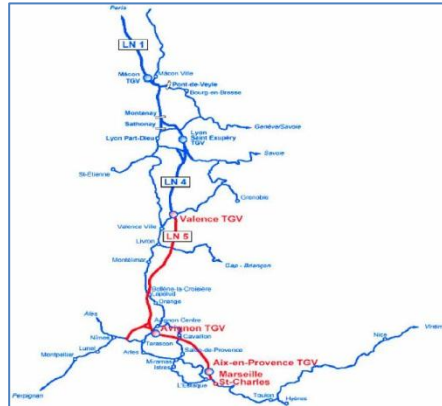
PATRONAGE



INTRODUCTION

TGV Med is part of the TGV Network of high speed rail lines linking major cities in France. It opened in 2001.

The project includes new stations at Valence, Avignon and Aix-en-Provence, six station refurbishments and increasing the speed



standard on the Paris-Lyon line to 300km/hr. It is also associated with the *Euroméditerranée* regeneration project in Marseille.

BACKGROUND

The main objective of the project was to provide a high speed rail link in the south of France, linking to the wider high speed network of routes through the country and across Europe. More specifically, the objective of reducing journey times between Marseille and Paris to three hours was, for the national rail operator SNCF, part of a wider strategy of gaining market share from air travel.

SNCF discussed the project at an early stage with regional politicians, who were generally supportive as it was seen as a catalyst for economic revival in the region. However, when details leaked out into the public domain, widespread public opposition began. Although planning approval was finally given, as usual for French infrastructure projects through the *déclaration d'utilité publique (DUP)* mechanism, this was preceded by two unique mechanisms introduced by the government to resolve conflicts and develop a consensus around the route.

The Querrien Mission created a degree of agreement around a selected route, but did not consider protest groups' calls to use existing railway corridors and pendular technology, and did not fully resolve the conflict. Protestors were critical of SNCF's power to judge its own proposal and a College of Experts was established, with members nominated by government, SNCF and protest groups. The College used independent experts to conduct an evaluation of SNCF's proposals, directed by a committee of all stakeholders.

Some groups, including the government's environment ministry, remained opposed on the basis of environmental and risk issues. The route crossed designated ecological zones and 138km of floodplains, and passed near to a nuclear site. These concerns were reiterated in the official public survey report to government.

TIMELINE

INCEPTION: 1989: GOVERNMENT ASKS SNCF TO PREPARE PLAN AND ROUTE STUDIES. PROPOSALS ANNOUNCED TO SUPPORTIVE REGIONAL POLITICIANS

CONTROVERSY: 1990: PROPOSALS LEAKED, CAUSING PROTEST MOVEMENT

INCEPTION: 1990: QUERRIEN MISSION APPOINTED TO RESOLVE CONFLICTS

INCEPTION: 1990: SNCF APPOINTS LOCAL PROJECT MANAGER

CONTROVERSY: 1991: QUERRIEN MISSION REPORT FAILS TO FULLY RESOLVE CONFLICTS

CONTEXT: 1991: GRESSIER CIRCULAR REGULATES MANAGEMENT OF TGV PROJECTS

INCEPTION: 1992: COLLEGE OF EXPERTS SET UP TO DEVELOP CONSENSUS

CONTEXT: 1992: BIANCO CIRCULAR INTRODUCES NEW CONSULTATION PROCEDURE

DELAY: 1993: ELECTION OF UNSUPPORTIVE GOVERNMENT, INTER-MINISTRY CONFLICT, PUBLIC SURVEY REPORT CRITICAL OF PROJECT

INCEPTION: 1994: DÉCLARATION D'UTILITE PUBLIQUE

CONTEXT: 1994: WATER CIRCULAR ISSUED, PROHIBITING CONSTRUCTION IN FLOODPLAINS

CONSTRUCTION: 1995 (FEB): WORK BEGINS. INVITATIONS TO TENDER FOR CONTRACTS

CONSTRUCTION: 1995 (SEPT): CIVIL ENGINEERING WORKS BEGIN

CONTEXT: 1995: BARNIER LAW REINFORCES ENVIRONMENTAL PROTECTION

CONTROVERSY: 1996: FORMAL INTER-MINISTRY CONSULTATION LEADS TO OPPOSITION FROM ENVIRONMENT MINISTER

INCEPTION: 1997: RFF ASSUMES OWNERSHIP OF RAIL NETWORK

INCEPTION: 1999: STATION STAKEHOLDERS GROUP FORMED. RFF/SNCF AGREE DIVISION OF RESPONSIBILITIES

CONSTRUCTION: 1999: FIRST RAILS JOINTED

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CONTEXT: 2000: NEW DECISION-MAKING PROCESS INTRODUCED FOR RAIL PROJECTS

CONSTRUCTION: 2001: TRIAL RUNS BEGIN

DELIVERY: 2001 (JUN): LINE OPENS

DELIVERY: 2004: LOW INTERNET-ONLY FARES INCREASE PATRONAGE

The extent of the protest movement helped to trigger several pieces of new legislation affecting the decision-making procedure for major transport projects.

CHARACTERISTICS

The cost was estimated at EUR 4.51bn in 1994 (2003 prices) but fell when part of the route was cut, and the final project cost was only EUR 4.36bn in 2003 (USD 6.61bn at 2010 prices)ⁱ. However, the cost of station construction was 26% above the estimate.

SNCF was both client and project manager, contracting separately with a large number of companies for the construction of the line. In contrast to its customary integrated hierarchical structure, and in response to the strength of opposition, it established a project manager in the local area at an early stage. When construction started, the local team had grown to 500 people.

In 1997, the organisational structure of the French rail network changed to reflect changes in European law. A new body, *Réseau Ferré de France (RFF)*, assumed responsibility for rail infrastructure and construction of new lines, while SNCF remained the main service operator and owner of stations. Although no longer officially the main client, SNCF remained project manager for the line on behalf of RFF. Station construction was more problematic, with responsibility shared between SNCF, RFF and the local authorities, and a stakeholders group was convened to resolve disagreements.

TIMELINE ISSUES

The task of developing a consensus around the project and the detailed route caused substantial delays. In 1991, an opening in 1998 was envisaged, but when the project was finally approved in 1994, the opening date had slipped to 2000. A further 18 month delay was then caused by budgetary constraints imposed on SNCF.

FUNDING

The project was funded mainly by SNCF by recourse to a loan, with the debt transferred to RFF on its formation. A national government subsidy of 10% guaranteed SNCF a profitable rate of return of 8%. Small subsidies were provided by local authorities, for station buildings, and the European Union. Passenger numbers (4.5m in 2004) were initially lower than predicted due to the unfavourable economic climate.

ⁱ Costs have been converted to USD at 2010 prices, using historic inflation rates and current exchange rates, to allow comparison between projects.