

Brussels, REGIO F.5 ZZ

Dear Mr Tarlós,

Subject: Response to your communication to Commissioner Cretu

Thank you for your correspondence to Commissioner Creţu of 6 and 10 July in which you raise a number of issues related to a potential EU co-financing of the Metro 3 and other sustainable transport projects in Budapest. Commissioner Creţu has asked me to reply on her behalf.

Let me preface this letter by emphasizing that the Commission remains committed to supporting urban mobility projects in the city of Budapest. Moreover, during the recent negotiations on the Integrated Transport Operational Programme (ITOP), it was the Commission who advocated a proportional inclusion of key Budapest projects into the ITOP.

Nevertheless, the Hungarian authorities maintained their position emphasizing the need to solely invest into urban mobility of other Hungarian cities. Under the described circumstances, in as much as we wish to remain supportive with respect to financing Budapest urban mobility projects, given the limited EU funding availability, at this point of our concern are also the other cities as we would not like to see them now fully left out on account of accommodating a substantial portfolio of Budapest projects. In that sense, a proper balance in terms of a proportional representation of Budapest projects, would still need to be negotiated in the context of a planned ITOP modification. As you rightfully pointed out the ITOP modification has been indeed approved by the recent MC, however its text and details would still need to be agreed upon with the Commission before its adoption.

Regarding the Metro 3 project in particular, we would be looking into it in the context of previous substantial investments into Budapest metro projects which are yet not fully completed. I would like to use this opportunity to remind you of the fact that one of the accompanying measures of the Metro 4 investment project is the introduction of a congestion charge for the centre of Budapest which is meant, among obvious environmental benefits, to also encourage further utilisation of the Budapest public

Mr István Tarlós Mayor of Budapest Mayor's Office Budapest 1052 Budapest Városház u. 9-11. Hungary transport including the Metro 4 which would appear currently underutilised when comparing the originally foreseen passenger numbers with the passenger numbers achieved so far.

We welcome the adoption of the Balázs Mór sustainable urban mobility plan but do hope this plan would be further incorporated into a more holistic document that would aim at integrating and addressing also the long distance traffic passing through Budapest such as trains and busses.

My colleagues inform me that your Deputy, Mr. Szeneczey Balázs took part at the technical meeting with the ITOP managing authority held on 22 April in Budapest, where, among other issues, the Metro 3 project has been preliminary discussed. At this meeting it has been agreed that a good way to proceed with the consideration of the Metro 3 project would be to have JASPERS examine the feasibility study for the entire integrated project, involving infrastructure, signalling and rolling stock. We still believe that such an approach would represent the best way forward. We would be grateful if this feasibility study for the comprehensive renovation could be forwarded to JASPERS and REGIO at your earliest convenience.

Yours sincerely,

Walter Deffaa

<u>Copies</u>: State Secretary Ms Vitalyos, Office of the Prime Minister; Deputy State Secretary Mr F. Szaloki, Ministry of National Development