



Enhancing TEN-T funding through CEF

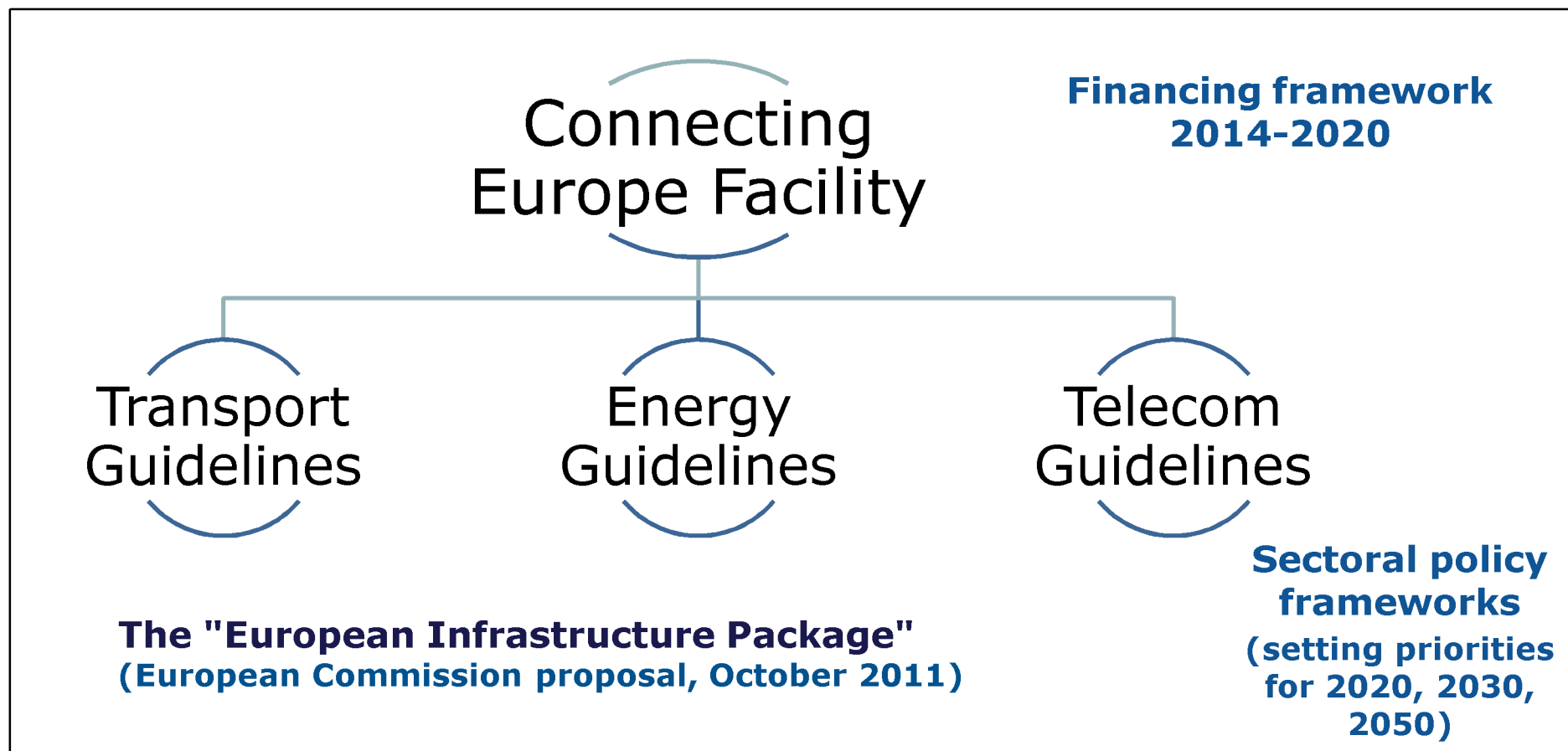
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Connecting Europe Facility

One instrument – three sectors





CEF: new funding framework

- Stronger **concentration** of financial support on EU added-value projects
- Exploitation of cross-sectoral **synergies**
- Higher emphasis on the use of **innovative financial instruments**
- **Complementarity (and Not duplication) with Cohesion Policy Framework**



CEF Transport: budget

€26.2 billion for TEN-T

- **€14.9bn** available to all Member States
- **€11.3bn** to be transferred from the **Cohesion Fund**

To be spent via:

- Grants (estimated €24.2 billion)
- Innovative financial instruments (€2 billion estimated market uptake)



CEF Transport: €11.3 bn transfer from the Cohesion Fund (the '€10bn') - specific elements (1)

Exclusively for transport projects in Member States eligible for the Cohesion Fund

- The aim is to **finance difficult projects** that the MS would not finance with Cohesion Fund
- Projects of **high EU added value**
- Rail and Inland Waterways, cross-border (including road) and main bottlenecks on main European routes
- Only for projects listed in Annex and Projects of the **Core Network**
- Common project pipeline for Cohesion Fund and CEF, in line with transport strategy
- Need to ensure **network effect**, notably on Core Network Corridors



CEF Transport: €11.3 bn transfer from the Cohesion Fund (the '€10bn') - specific elements (2)

Respect of national allocations under the Cohesion Fund until end 2016

- Binding **national envelopes** between 2014 – 2016: no MS can be allocated more funding for projects than its corresponding allocation
- European Commission targets to allocate the totality of the '€10bn' before 2017
- If the '€10bn' are not all spent after the last call in 2016, new calls from 2017 to absorb the remainder, without national allocations
- Funds may be recovered from projects not performing according to plans, funds to be allocated through new calls, without national allocations.
- **No contribution for financial instruments** before 2016



CEF Transport: €11.3 bn transfer from the Cohesion Fund (the '€10bn') - specific elements (3)

Co-funding rates of the Cohesion Policy (maximum of 85%)

- The '€10bn' transfer was the only possibility to have specific treatment of Cohesion MS under the rules of the CEF
- Similar co-funding rates to avoid competition between funds
- Similar "funding gap" analysis:
 - not a requirement under the CEF,
 - EC proposes that CEF uses the flat rate used under Cohesion Policy, with possibility to make exemptions for specific projects (such as cross-border projects)
- Cost-benefit analysis: TEN-T guidelines refers to a "socio-economic cost-benefit analysis based on a recognised methodology"
 - May be appropriate to use the methodology of Cohesion Policy



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Co-funding rates

Types of Projects		All Member States	Member States eligible for Cohesion Fund
(a) Studies (all modes)		50%	85%
(b) Works on			
Rail	Cross border	40%	85%
	Bottleneck	30%	85%
	Other projects of common interest	20%	85%
Inland waterways	Cross border	40%	85%
	Bottleneck	40%	85%
	Other projects of common interest	20%	85%
Inland transport connections to ports and airports (rail and road)		20%	85%
Development of ports		20%	85%
Development of multi-modal platforms		20%	85%
Reduce rail freight noise by retrofitting of existing rolling stock		20%	20%
Freight transport services		20%	20%
Secure parkings on road core network		20%	20%
Motorways of the sea		30%	85%
Traffic management systems	SESAR, RIS, VTMS (ground/onboard)	50/20%	85%
	ERTMS	50%	85%
	ITS for road	20%	85%
Cross border road sections		10%	85%
<i>New technologies and innovation for all modes of transport</i>		20%	85%



CEF Transport: €11.3 bn transfer from the Cohesion Fund (the '€10bn') - specific elements

Specific Programme support actions for MS experiencing difficulties in proposing projects

3 types of Programme support actions financed by CEF

- Contribution to JASPERS
 - if requested by the MS to help in developing the project pipeline
- Preparatory studies financed by the CEF
 - as in TEN-T programme
- Targeted Technical Assistance (dedicated consultants) provided to beneficiaries (such as railway infrastructure managers)
 - Feedback from MS needed to identify potential beneficiaries

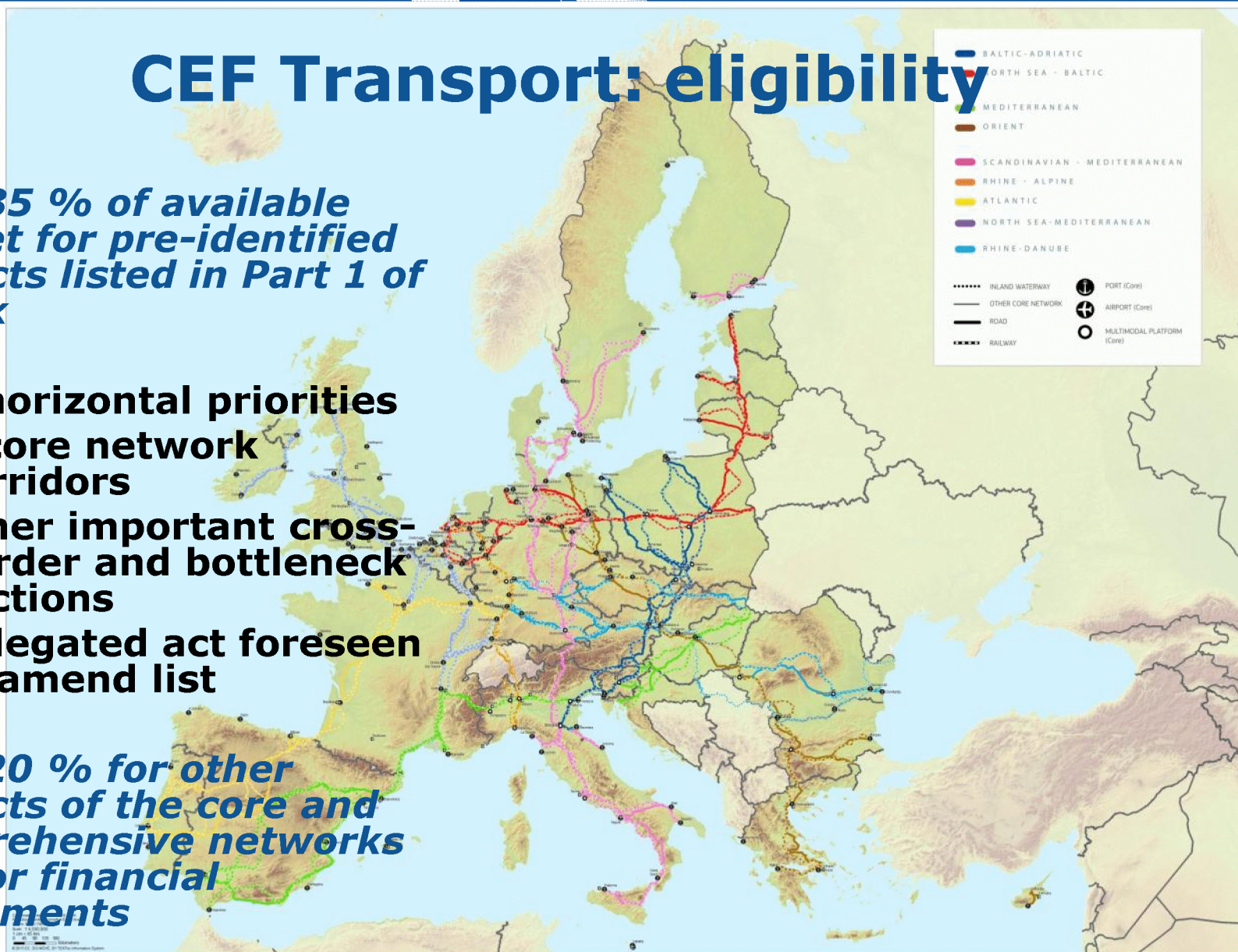


CEF Transport: eligibility

80 – 85 % of available budget for pre-identified projects listed in Part 1 of Annex

- **4 horizontal priorities**
- **9 core network corridors**
- **other important cross-border and bottleneck sections**
- **delegated act foreseen to amend list**

15 – 20 % for other projects of the core and comprehensive networks and for financial instruments





CEF: Centralised management of grants

Project selection and resources allocation

- by Commission with the help of an EA

Same criteria for project proposals coming from all Member States

- Quality, maturity, EU added value, socio-eco and environmental impacts

Concentration on projects with high EU added value

- cross-border missing links, boosting multimodality, ensuring interoperability of networks across borders and modes

Increased efficiency of EU budget spending

- Competition between proposals, "use-it-or-lose-it" principle



CEF - Centralised management of grants

Work programmes	Multiannual & annual (COM)
Calls for projects	Info Days (EA + COM)
Application	Paperless via TENtec; EA support
Selection	External evaluation (experts + EA) Internal Evaluation (COM)
Funding Decisions	For selected projects (COM)
Monitoring of project implementation	EA + COM ("Use it or lose it")
€11.3 billion from the Cohesion Fund	Exclusively dedicated work programmes and calls





CEF Transport: 2014 Work programmes and calls - main features -

- **Size of the calls will be evaluated on the basis of MS project pipelines**

In cooperation with MS authorities and DG REGIO, especially for Cohesion MS

- **1 MAP for the €11.3bn (Cohesion MS)**

End March.beg April 2014, then Spring 2015, then

- **1 MAP & 1 AP for the 28 EU MS**

Total budget for CEF (without the transfer from Cohesion Fund): ~€14.9bn in current prices

- **No plan to have an AP for the €11.3bn**

All key projects on the Core Network are included in the Annex, covered by the MAP



CEF Transport: following Work programmes and calls

- **Next MAP and specific call in Spring 2015**
- **Last MAP under national allocations in Autumn 2016**

Even if funding decisions are adopted only in 2017, national allocations will apply

- **Possibility of Annual Work programmes under the '€10bn' in 2015 and 2016**

For projects of the Core Network not covered by the Annex
Will depend on discussions with MS regarding their project pipeline



Thank you for your attention!

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