



European
Commission



Implementing CEF TRANSPORT

2014-2016

Connecting Europe Today

*Innovation
and Networks
Executive Agency*



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All information provided in this publication refers to CEF Transport projects approved under the 2014 and 2015 Calls (all grant agreements signed).

Data cutoff point: 20 February 2017

Connecting Europe Facility

Transport

Innovation and Networks Executive Agency (INEA)

<http://ec.europa.eu/inea>

Foreword



The Connecting Europe Facility (CEF) is a ground-breaking EU funding instrument in many respects. It is the first time funding at EU level for the development of transport, energy and telecommunications infrastructure is combined under the same instrument. The level of funding is unprecedented for all three sectors, with transport having been allocated a budget of €24 billion. Moreover, €11.3 billion of the funding in the transport sector has been transferred from the Cohesion Fund to CEF for implementation – another first.

The CEF Transport programme is already demonstrating its impact on the ground through successful implementation. The European Commission via the Innovation and Networks Executive Agency launched three CEF Transport calls for proposals between 2014 and 2016 making €21.4 billion of funding available, so that key projects in Member States can benefit from EU support from day one. The demand for funding exceeds by nearly 2.3 times the funding that has been made available. Additionally a CEF Transport Blending call was launched in February 2017 with an available budget of €1 billion.

The results, presented in this brochure, highlight that CEF is already delivering. So far, it is leveraging almost €20 billion of additional investment, which is expected to create more than 400,000 job years by 2030. Importantly, the programme is supporting major cross-border projects and projects addressing bottlenecks and horizontal priorities on the EU Core Network, contributing to improvement of the use of infrastructure, reduction of the environmental impact of transport, enhancement of energy efficiency and increase of safety.

For Europe to deliver on its priorities in transport and to boost growth and jobs, investment is essential. Connectivity, through a safe and clean transport network, meeting the needs of consumers and businesses will help Europe to stay ahead of the curve, and remain competitive globally. CEF is already making a major contribution to these priorities.

Henrik Hololei
European Commission
Director-General for Mobility and Transport

Introduction

As of January 2014, the European Union has a new transport infrastructure policy that aims to close the gaps between Member States' transport networks, remove bottlenecks that still hamper the smooth functioning of the internal market and overcome technical barriers such as non-interoperable standards for railway traffic. The Connecting Europe Facility (CEF) supports this new approach by providing financial assistance to projects implementing the core and comprehensive Trans-European Networks for Transport (TEN-T):

1. The **Comprehensive Network** is a relatively high density multi-modal network which provides all European regions (including peripheral and outermost regions) with an accessibility that supports their economic, social and territorial development as well as the mobility of their citizens.

2. The **Core Network** is a part of the Comprehensive Network, distinguished by its strategic importance for major European and global transport flows. Within the Core Network, nine multimodal corridors are the strategic backbone of the new TEN-T network and improve its reliability and efficiency.

The European Commission via the Innovation and Networks Executive Agency (INEA) issues regularly calls for proposals to support infrastructure projects with the highest EU added value. For the 2014-2020 period, the European Commission will award a total of €23.4 billion in the form of grants from the CEF funding instrument to projects in all EU Member States aiming to strengthen seamless transport for passengers and freight.

In this publication, you will find information on CEF Transport implementation through the 2014 and 2015 calls, the expected impact of the awarded funding and how innovative approaches are helping to increase the value to European citizens, businesses and the single market.

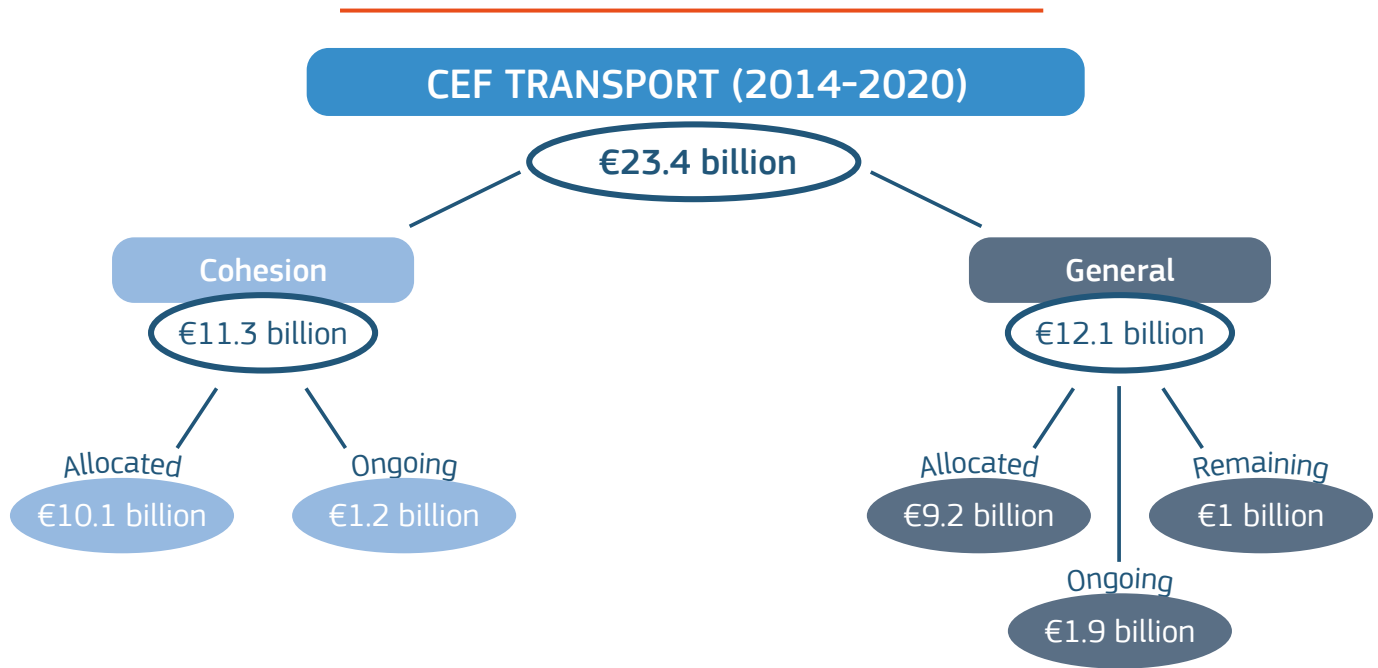


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A success story

Investing today for the future

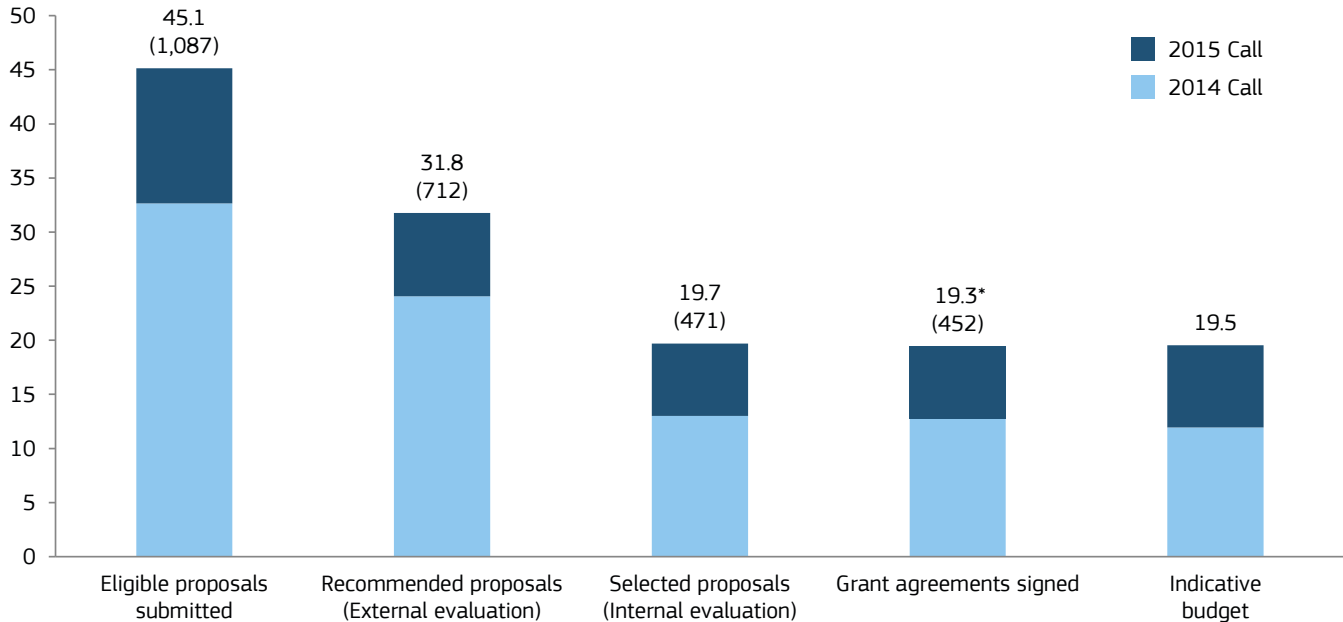
The total EU budget available under the CEF Transport programme for grants in the 2014-2020 period is €23.4 billion. 83% of this amount has been allocated following the 2014 and 2015 calls for proposals: around €10.1 billion under the Cohesion envelope and around €9.2 billion under the General envelope. Given that the budget available in ongoing calls and selection processes is €3.1 billion (including the 2016 CEF Transport call, the 2016 Synergy call and the 2017 CEF Transport Blending call), the remaining budget (available for future calls) is €1 billion, all under the General envelope.



Very strong demand for CEF Transport financing

Under the 2014-2015 calls, a total of 1,087 eligible proposals requested €45.1 billion in CEF funding. This was 2.3 times the indicative budget of €19.5 billion. In total, €19.3 billion is currently allocated to the 452 signed grant agreements.

Funding, € billion
(number of proposals)



* 263 signed grant agreements from the 2014 Calls amounting to €12.7 billion & 189 signed grant agreements from the 2015 Calls amounting to €6.6 billion.

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*Investing in transport infrastructure to
boost jobs and growth*

CEF Transport funding leveraging almost €20 billion of additional investment

The CEF Transport programme currently contributes €19.3 billion in EU support to the realisation of transport infrastructure projects, for a total investment of €38 billion. It is expected that this investment will create more than 400,000 job years by 2030 (based on the methodology of the European Investment Bank (EIB) on permanent and temporary employment).

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€19.3 billion attributed to:



building
cross-border infrastructure

€17 billion



deploying
sustainable and efficient transport

€0.3 billion



combining
transport modes and IT

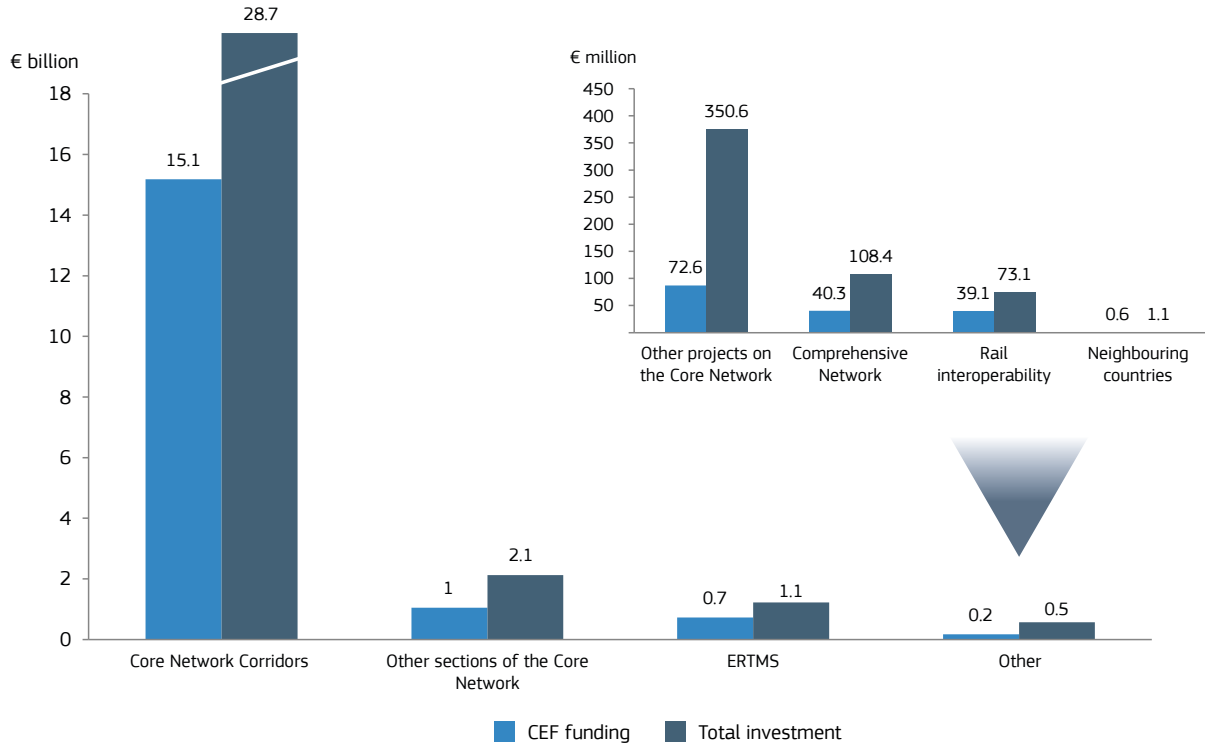
€2 billion

€19.3 bn



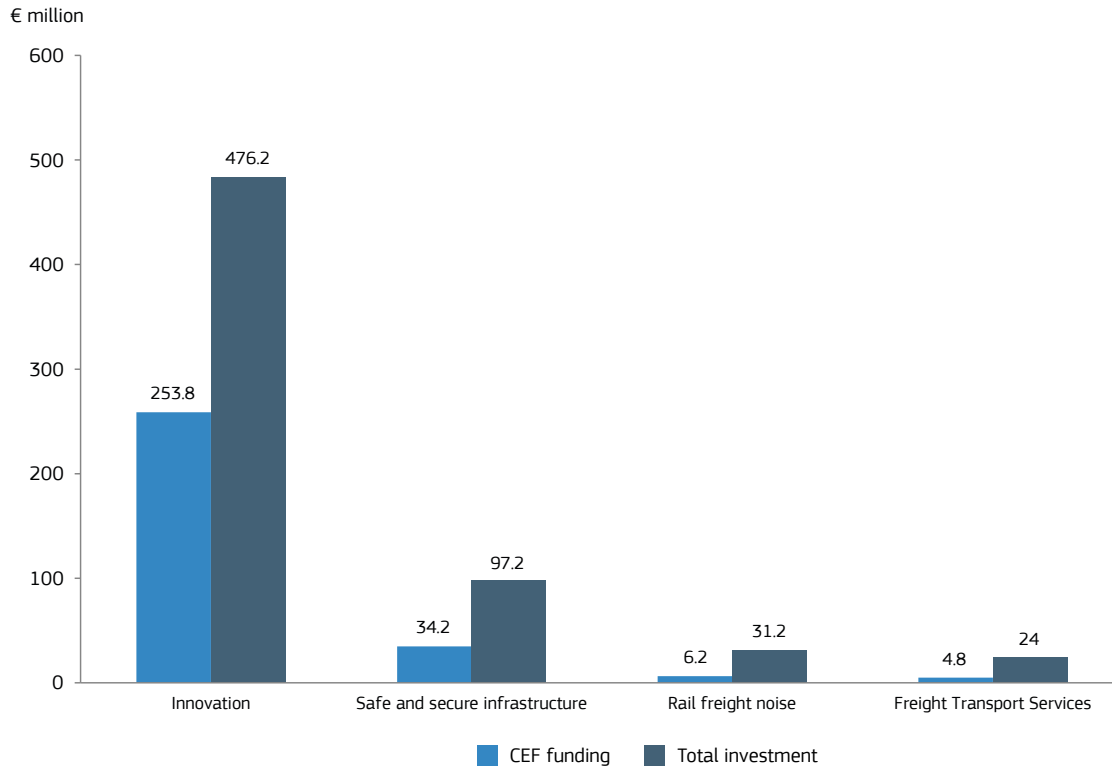
Building cross-border infrastructure

The EU contributes to building cross-border infrastructure across Europe with €17 billion in CEF funding, which results in a total investment of more than €32 billion during the lifetime of the Programme. The main focus is the Core Network and its nine corridors, together with ERTMS.



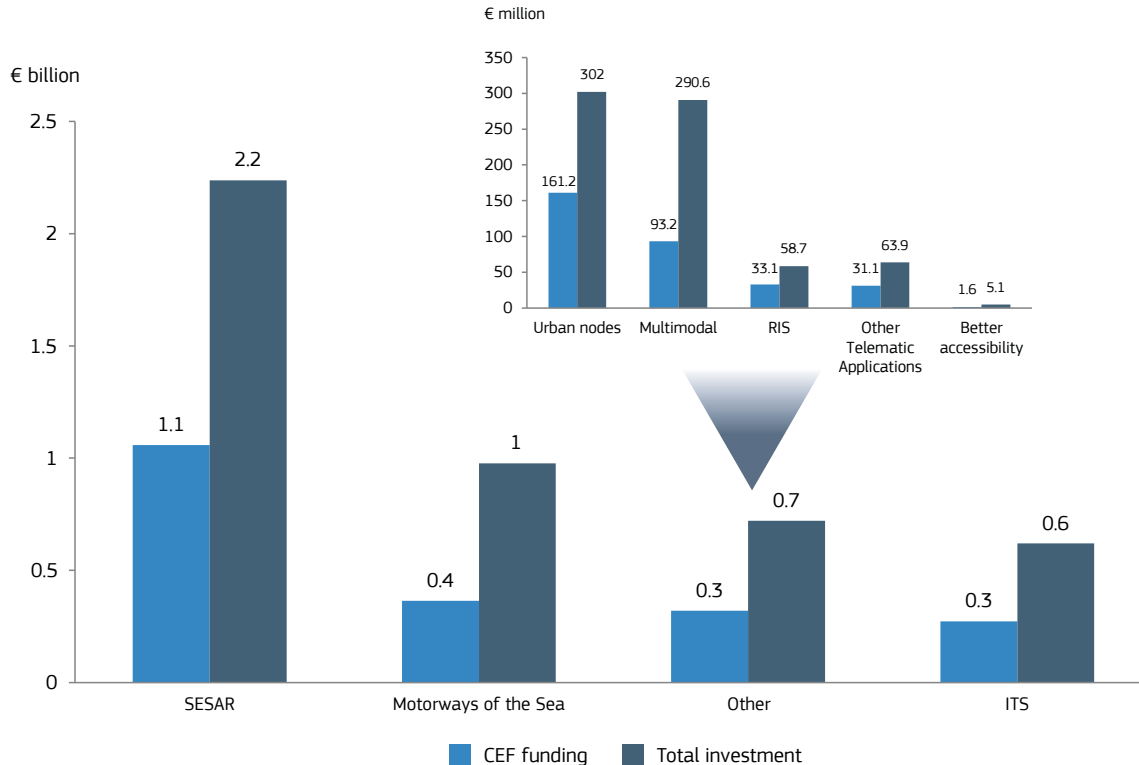
Deploying sustainable and efficient transport

The EU contributes to deploying sustainable and efficient transport with €300 million in CEF funding, which results in a total investment of more than €600 million during the lifetime of the Programme. The main priority areas are innovation and safe and secure infrastructure.



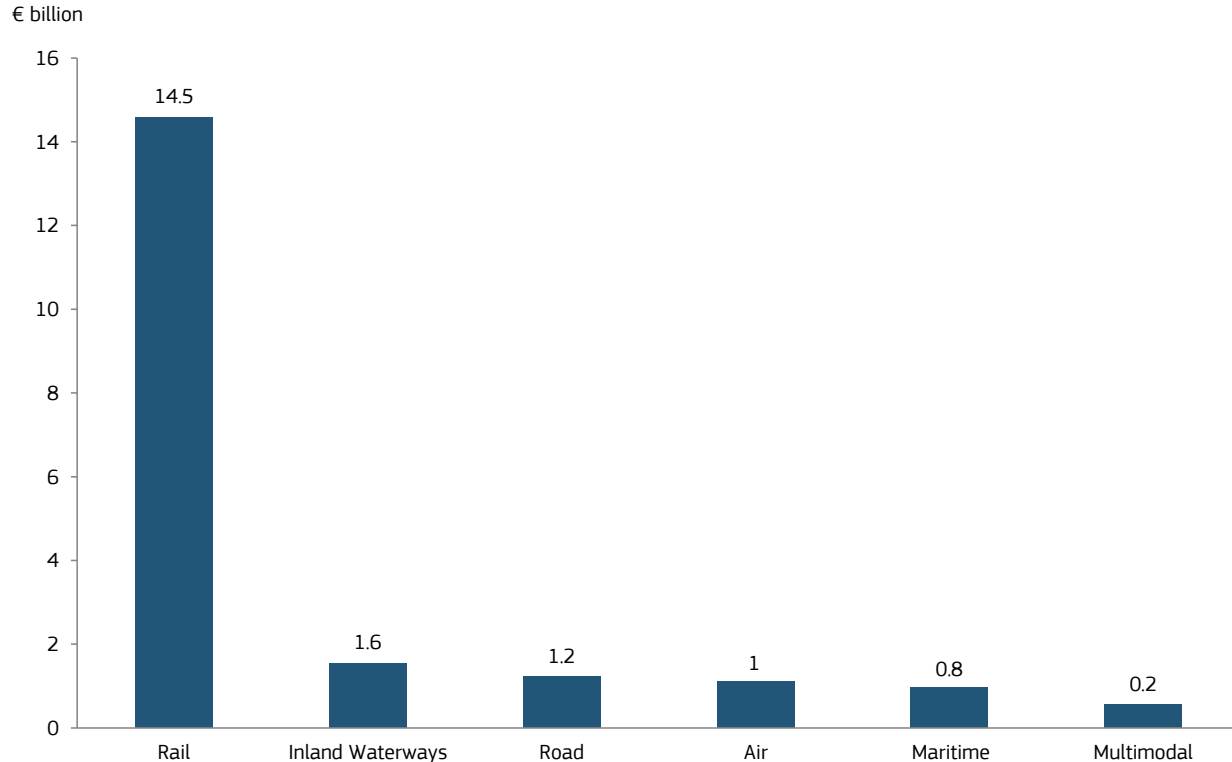
Combining transport modes and IT across Europe

The EU contributes to fostering smart transport solutions across Europe with €2 billion in CEF funding, which results in a total investment of €4.5 billion during the lifetime of the Programme. The main priority areas are deployment of Single European Sky ATM Research (SESAR), Motorways of the Sea and Intelligent Transport Systems (ITS) for road.



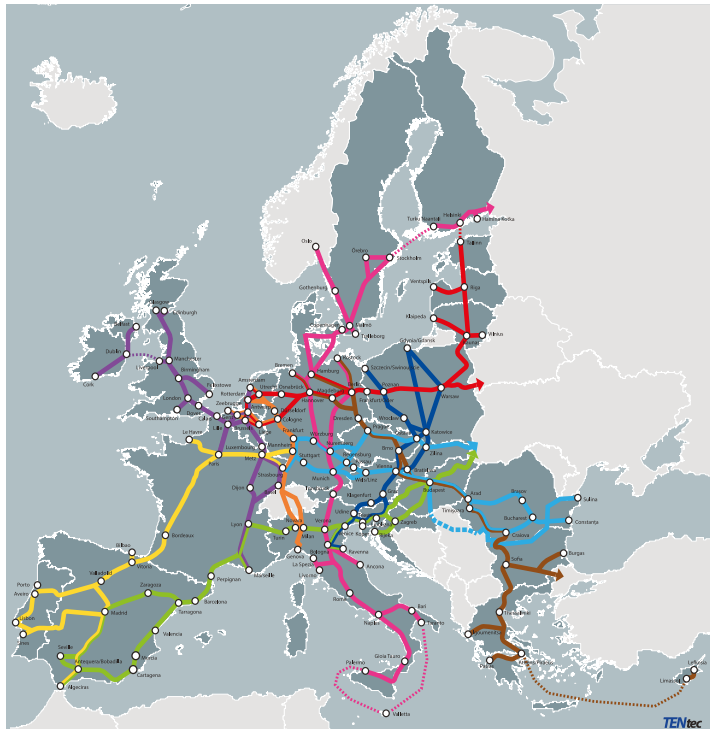
Greening mobility, with rail leading the way

The CEF Transport programme contributes to the de-carbonisation of the European economy by investing heavily in environmentally friendly transport modes, including 171 rail projects across the European Union. EU investment in rail projects granted under the 2014 and 2015 calls totals €14.5 billion, or 75% of the CEF transport funding granted to date.

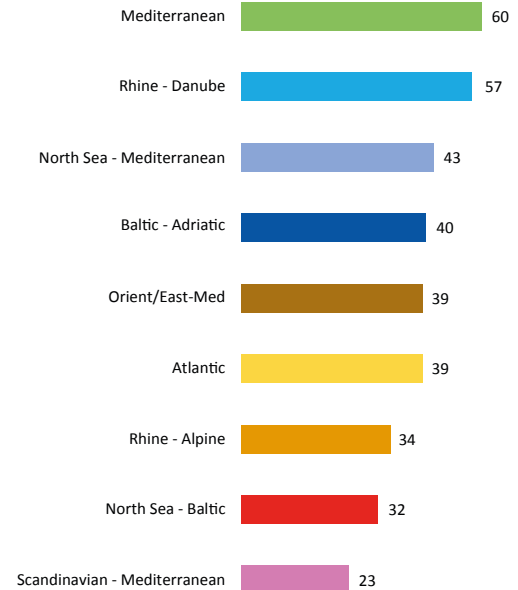


Ensuring a balanced development of the Core Network Corridors

Of the nine Core Network Corridors, the Mediterranean corridor has the highest number of projects (60), followed by the Rhine-Danube corridor (57)*.



Number of supported projects per Corridor

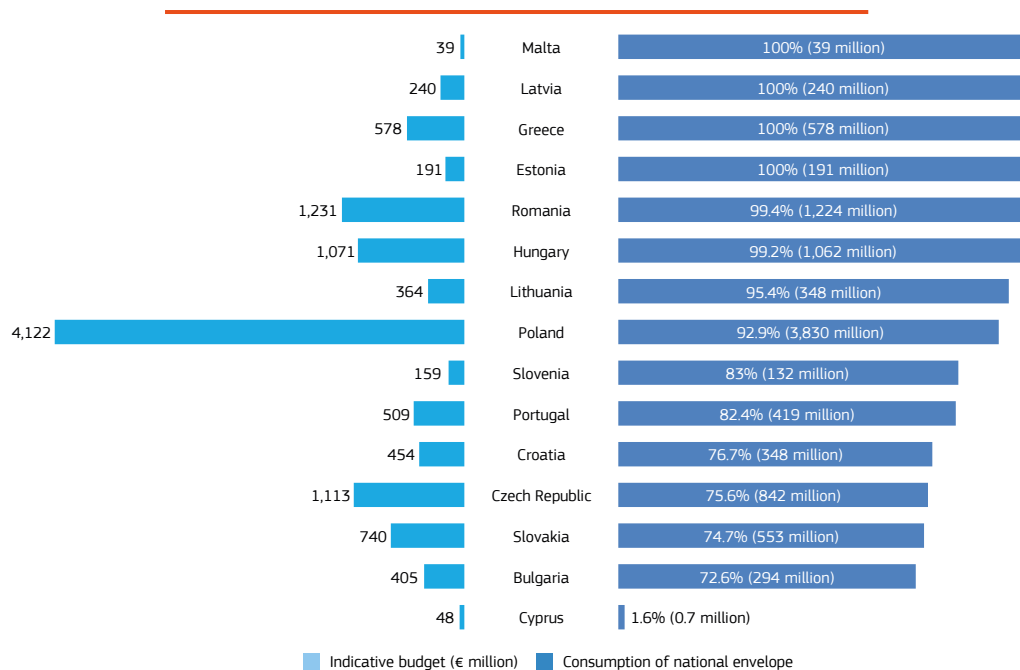


* One project can belong to more than one corridor.

A greater focus on Cohesion countries

The CEF Transport Programme has significantly increased focus on Cohesion countries, compared to the TEN-T programme, due to the contribution from the Cohesion Fund, national envelopes* and dedicated calls for proposals. Cohesion countries received through the 2014 and 2015 CEF Transport Cohesion calls a total of €10.1 billion in EU funding.

All Cohesion countries, aside from Cyprus, have consumed more than 70% of their national envelopes under the Cohesion calls.



*Article 11 of the CEF Regulation (Regulation (EU) No 1316/2013) defines the use of the funds transferred from the Cohesion Fund to the CEF in the transport sector.

€10.1 billion awarded to 20 flagship projects

Among the 20 largest projects financed under the 2014-2015 calls, 79% are rail projects, 56% are works projects and 60% are under the general envelope. The top three projects concern both works and studies:

Project

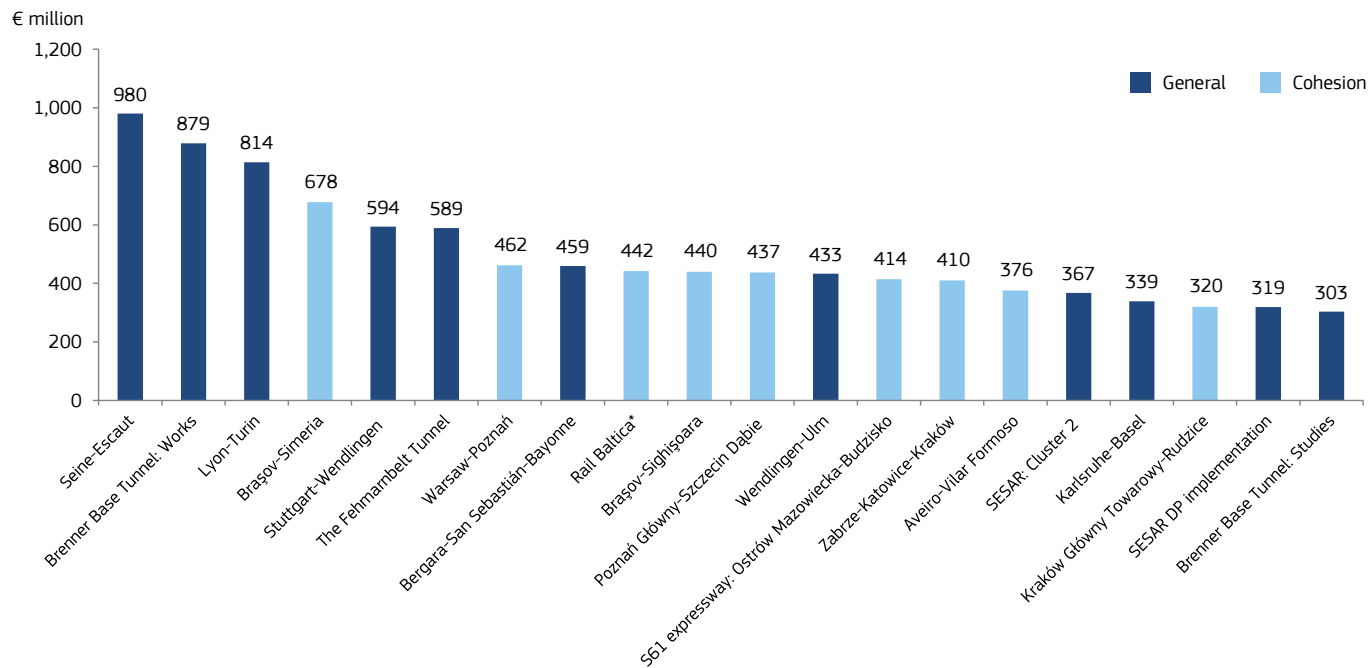
- > Seine-Escaut
- > Brenner Base Tunnel
- > Lyon-Turin

Mode

- > Inland waterways
- > Rail
- > Rail

Countries involved

- > Belgium & France
- > Austria & Italy
- > France & Italy



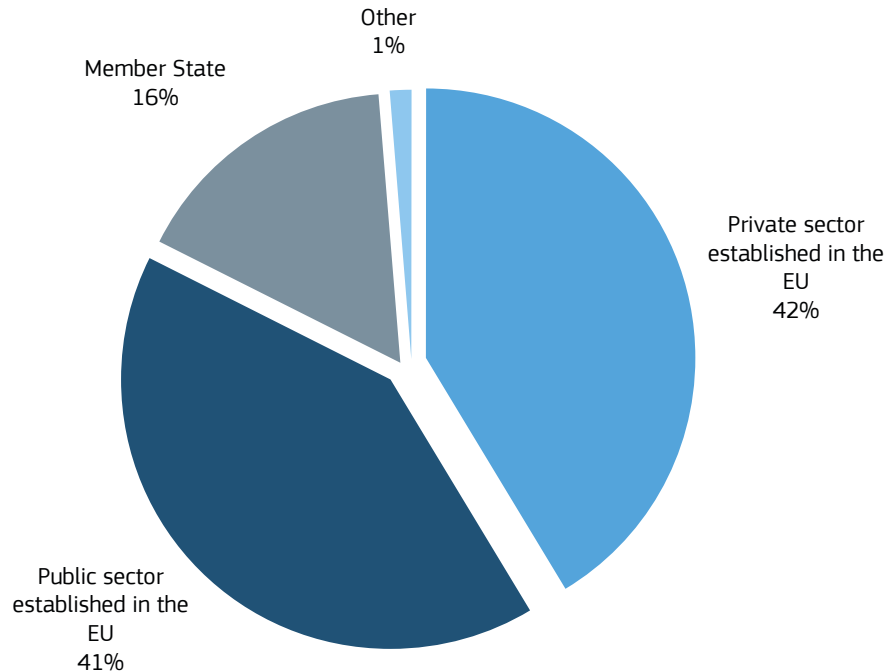
*Project 2014-EU-TMC-0560-M only

Supporting public and private beneficiaries

The CEF Transport programme attracts both public and private applicants. Together, EU public sector bodies and the Member State governments are the main beneficiaries.

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Type of beneficiaries in selected projects



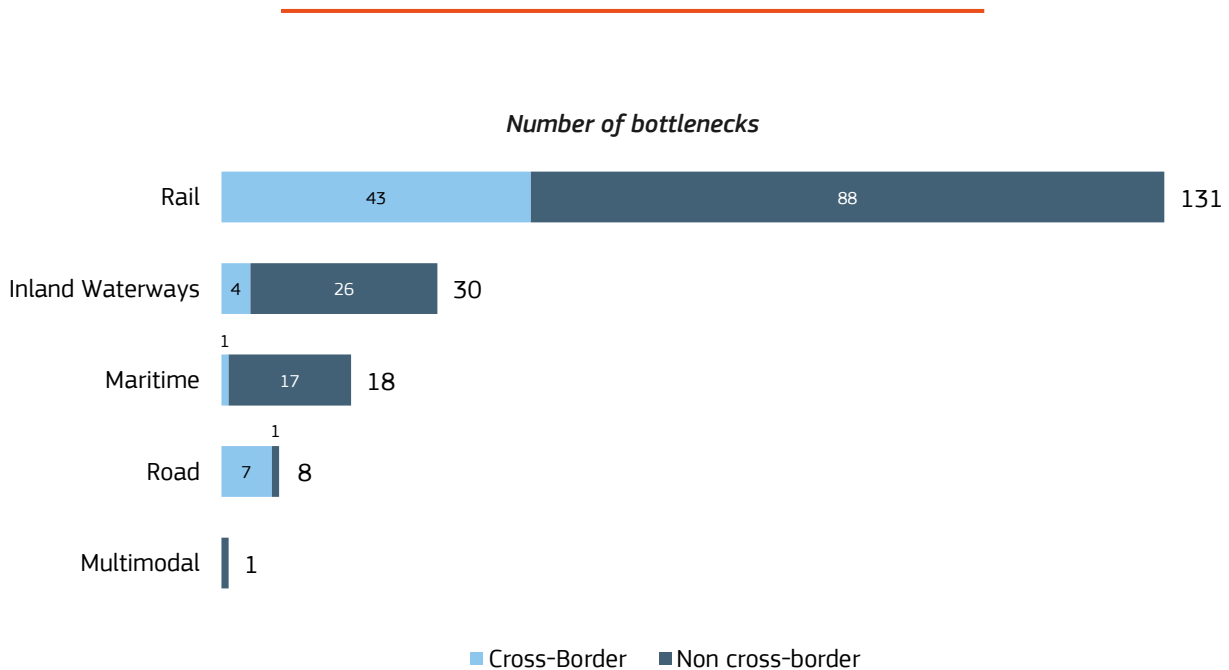
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Impact

Expected contribution to connectivity, decarbonisation and digitalisation

138 projects selected under the 2014 and 2015 Calls will remove 188 bottlenecks by 2020, including 55 on cross-border connections. The total investment is €30 billion, of which CEF funding corresponds to €15.6 billion.

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The EU invests in green transport

1,271 additional supply points for alternative fuel will be deployed along the TEN-T road network by 2020. The majority will be electricity supply points (971), followed by Compressed Natural Gas (CNG) (114), Liquefied Natural Gas (LNG) (96), Liquefied Petroleum Gas (LPG) (57) and Hydrogen (H2) (33). This will result in a total investment of €351 million, of which CEF funding corresponds to €192 million allocated to 35 grant agreements.

Number of alternative fuel supply points



Linking modes of transport

By 2020 transport modes will be integrated by connecting 4 maritime ports and 1 rail-road terminal to the railway network and by improving the connection to the railway network of 5 maritime ports, 5 inland ports and 7 rail-road terminals. This will be achieved through a total investment of €249 million, of which CEF funding corresponding to €82 million is currently allocated to 16 selected projects.

New connections



Improved connections

5

7

5

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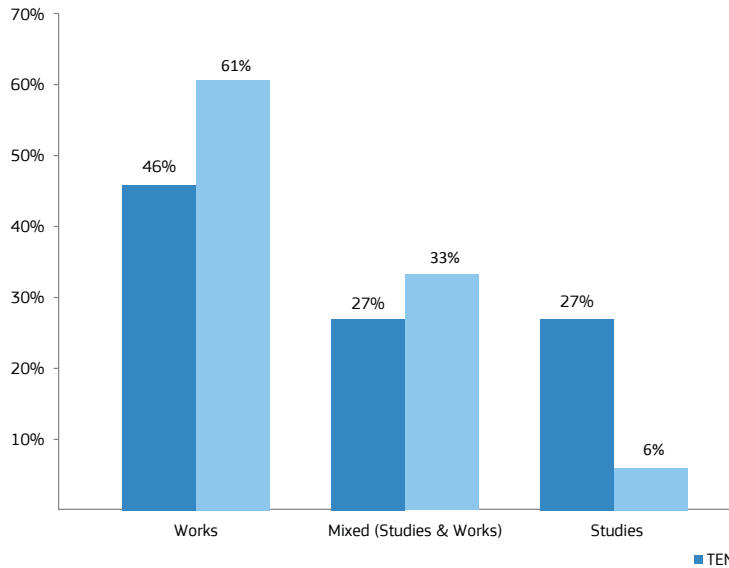
*Building on the experience and success
of the TEN-T Programme*

A shift to more advanced stages of project development

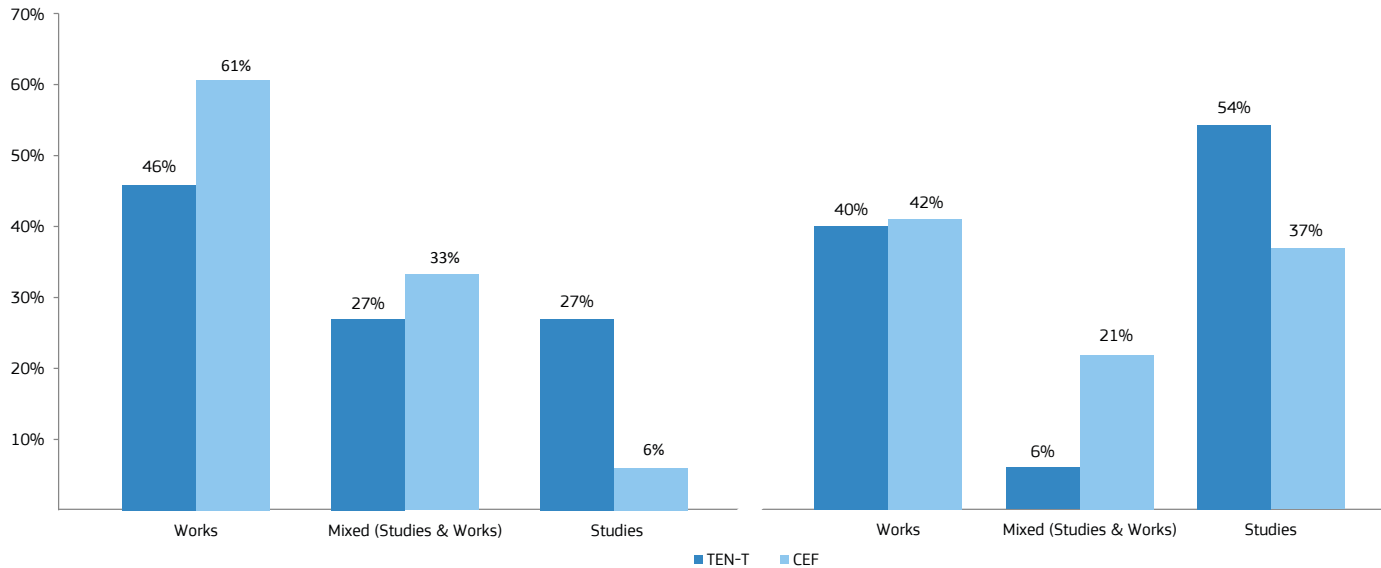
Compared to the 2007-2013 TEN-T Programme, the CEF Transport Programme allocates more funding to more projects in advanced stages of implementation, works or mixed projects (combining studies and works). The focus of the 2007-2013 TEN-T Programme was on studies, which contributed to creating the project pipeline for the CEF.

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Share of funding



Share of projects



Ensuring continuity with the TEN-T Programme

CEF is ensuring long term continuity for large-scale projects started under the 2007-2013 TEN-T programme, which are now in more advanced phases of implementation, such as Rail Baltica.

Rail Baltica is a strategic and sustainable rail project directly linking four EU Member States - Poland, Lithuania, Latvia and Estonia – and indirectly reaching Finland through a maritime connection. The project will build a new standard gauge (1,435 mm in width) railway line in the aforementioned countries, thus connecting cities such as Tallinn, Riga and Kaunas to each other and to the wider single European rail area through Poland. Passengers and freight will travel on a fast, modern and safe railway line. The length of the newly built track will be 728 km, of which 235 km will be in Latvia, 229 km in Estonia and 264 km in Lithuania. The average speed will be 170 km/h for passenger trains and 68 km/h for freight trains.

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TEN-T

10 projects were financed under the 2007-2013 TEN-T programme as part of Rail Baltica, of which 7 were studies.

The total TEN-T funding for these projects was approximately €100 million.



CEF

3 projects are currently financed under the CEF programme as part of Rail Baltica, all of them mixed.

The total CEF funding for these projects is approximately €740 million.

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*Maximising the impact of EU investment
through synergies*

Blending grants and financial instruments

A CEF Blending call has been launched on 8 February 2017 with a budget of €1 billion. The specificity of the call is that it requires applicants to blend the CEF grant with financing from the EIB or other public and private financial institutions. Furthermore, CEF provides, in addition to grants, for a more systematic use of innovative financial instruments (e.g. Project Bonds) to fill financing gaps for strategic investment. Combining grants and financial instruments can help to ensure the financing of projects. CEF Transport grants can also finance studies to optimise the financial structure of projects.



Port of Calais (2014-FR-TM-0395-W)

The Port of Calais is located on the North Sea-Mediterranean Core Network Corridor. The existing infrastructure in the port is insufficient to deal with traffic growth on the Dover-Calais route and the increase in size of vessels. The project foresees the construction of new infrastructure and equipment to improve the port's long-term capacity.

The total CEF funding for this project is approximately €82 million.

In addition to CEF support, a €50 million Project Bond Credit Enhancement has been issued in July 2015 by the European Investment Bank (EIB) to foster the attractiveness of the 40 year bond issued by the Port of Calais to finance the project.



Port of Dublin (2014-IE-TM-0222-W)

Dublin is Ireland's principal and largest commercial port, with strong rail and road connections to its natural hinterland and beyond which is located on the North Sea-Mediterranean Core Network Corridor. The Action aims for the redevelopment to allow for the port to accommodate larger ships and to provide for a substantial increase in capacity.

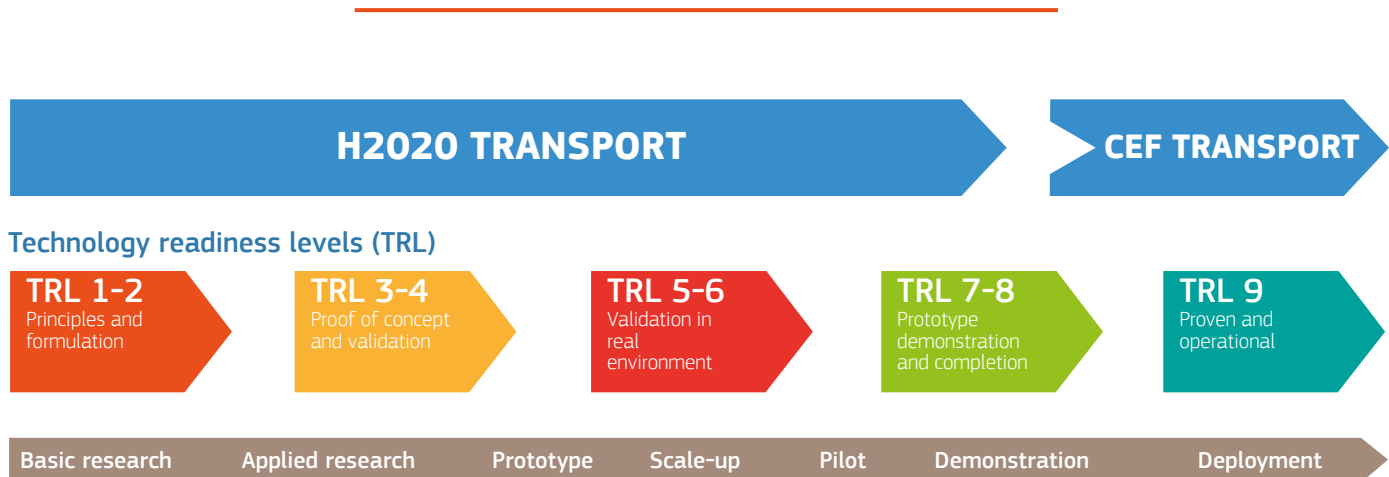
The total CEF funding for this project is approximately €23 million.

After the economic and financial studies funded under the previous TEN-T Programme and the allocation of CEF support, an €100 million EIB senior loan was provided for financing of the project in December 2015.

Exploiting synergies between CEF Transport and Horizon 2020

Horizon 2020 (H2020) is the largest ever EU research and innovation programme, with nearly €80 billion of funding available over the 2014–2020 period. H2020 couples research and innovation with an emphasis on excellence, industrial leadership and tackling societal challenges. While H2020 focuses on developing concepts, testing and demonstrating, CEF's role is in the deployment of these concepts in real life transport infrastructure projects.

The synergies between H2020 and CEF Transport can best be described with the aid of Technology Readiness Levels:



Innovation and deployment of electric vehicles

INEA develops synergies between the H2020 and the CEF Transport programmes through its project portfolio which holds a wide range of R&I and infrastructure development projects covering the whole innovation line from idea to the market. In more scientific terms, these projects stretch across all technology readiness levels.

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Building blocks

H2020: SPICY

Battery technologies, charging cycle, discharge rate, materials and integration

Integration

FP7: ELVA

Electric architecture of the vehicle

Vehicle/pilot

H2020: ESPRIT

New stackable urban electric vehicles

Deployment

CEF: 2014-EU-TM-0196-S

Deployment of 241 standard fast chargers in Germany and 37 in Belgium

CEF: 2015-EU-TM-0367-S

Deployment of a pilot of 25 ultra-chargers on the TEN-T corridors connecting the Netherlands, Belgium, Germany and Austria

Basic research

Applied research

Prototype

Scale-up

Pilot

Demonstration

Deployment

Ensuring complementarity between CEF Transport and European Structural and Investment funds (ESI)

CEF grants support to projects that implement TEN-T priorities, with a specific focus on pre-identified projects and horizontal priorities on the core network. The European Structural and Investment funds (ESI funds) provide another source of funding for transport infrastructure, mainly of national and regional importance. To enhance complementarity between the two funding sources, the final selection for the allocation of CEF Transport support takes into account both the ESI programming as well as the national Transport Master Plan of Member States. Through a common project pipeline for Cohesion Fund/ European Regional Development Fund (ERDF) and CEF a higher network effect is achieved.

Dolnośląskie Voivodeship and Czempień

(Poland, project 2014-PL-TMC-0180-W)

The project, located on the Baltic-Adriatic Core Network Corridor in Poland, covers the modernisation works on a 71 km section of an existing railway line from the Dolnośląskie Voivodeship to Czempień. It is a part of a larger project on the modernisation of this Corridor between Wrocław and Poznań to adjust its characteristics to TEN-T requirements.

The project has received €280 million in CEF Transport funding under the 2014 calls.

Poznań and Piła (Poland)

The regional project will consist of an upgrade of the 92 km of regional railway connecting Poznań with Piła, a town located in the north of Wielkopolska (Greater Poland region). It will be co-funded from ERDF under the 2014-2020 Regional Operational Programme for Wielkopolska and will enable regional trains to run at 120 km/h. Signalling, safety and accessibility for people with reduced mobility will be improved as well.

This project is co-funded from the ERDF with approximately €120 million.

The funding allocated through ESI will allow the population of the northern part of Greater Poland (Wielkopolska) to gain a high quality connection with trans-European corridors crossing in Poznań. Further benefits will derive from funding awarded through CEF Transport, namely that the connections from Poznań to Wrocław (2014-PL-TMC-0180-W, mentioned above), Szczecin (2014-PL-TMC-0198-W) and Warsaw (2014-PL-TMC-0185-W) will be upgraded thanks to CEF support.

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Glossary

Call for proposals or call

An announcement that opens parts of a work programme for proposals, indicating what types of actions are required, including specific details regarding the nature of the actions that may be supported.

Evaluation and selection process

After the deadline of the call for proposals, submitted proposals are assessed on the basis of eligibility, selection and award criteria as outlined in the call. INEA carries out the evaluation of the eligible proposals, supported by independent experts. The European Commission then selects a list of proposals for funding on the basis of the technical assessment and taking additional elements, such as policy objectives and budgetary constraints, into account. Once the list of proposals recommended for funding is formally approved by the EU Member States, successful applicants are invited by INEA to prepare and sign individual grant agreements. INEA then works closely with each beneficiary on the technical and financial project implementation.

Beneficiary

A Member State, an international organisation or a public or private undertaking or body that has been selected to receive EU financial assistance under the CEF Regulation and has been designated as such in a grant agreement signed with INEA.

Type of Actions

1. Works – the purchase, supply and deployment of components, systems and services including software, the carrying-out of development and construction and installation activities relating to a project, the acceptance of installations and the launching of a project.

2. Studies – activities needed to prepare project implementation, such as preparatory, mapping, feasibility, evaluation, testing and validation studies, including in the form of software, and any other technical support measure, including prior action to define and develop a project and decide on its financing, such as reconnaissance of the sites concerned and preparation of the financial package.

3. Mixed – projects containing a combination of studies and works.

Grant agreement

Agreement between INEA and the beneficiaries setting out the conditions of the awarding of EU grants under CEF Transport.

Core network corridors

Designates projects located on pre-identified sections of the core network corridors that are identified in the CEF Regulation (Annex I, Part I.2)

Other sections of the core network

Designates pre-identified projects located on other sections of the core network that are identified in the CEF Regulation (Annex I, Part I.3)

Other projects on the core network

Designates projects located on the core network which are not included in the pre-identified sections of Part I of Annex I to the CEF Regulation.

Bottleneck

'Bottleneck' means a physical, technical or functional barrier which leads to a system break affecting the continuity of long-distance or cross-border flows and which can be surmounted by creating new infrastructure, or substantially upgrading existing infrastructure, that could bring significant improvements which will solve the bottleneck constraints.

Acronyms

ATM = Air Traffic Management

ERTMS = European Rail Traffic Management System

ITS = Intelligent Transport Systems & Services

RIS = River Information Services

SESAR = Single European Sky ATM Research

EU = European Union

CEF = Connecting Europe Facility

TEN-T = Trans-European Transport Network

CNC = Core Network Corridor

