

Financing the European Mobility Network with the Connecting Europe Facility

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Key elements of the new TEN-T policy

Support implementation of Transport White Paper through new infrastructure policy, including:

- **Dual layer approach based on an objective methodology: core and comprehensive network**
- **Ambitious standards for all infrastructures**
- **Common deadlines to achieve network (2030/2050)**
- **Corridors and coordinators for implementation**

New legislation: Regulation (EU) No 1315/2013

The new TEN-T maps

A core and comprehensive network based on a single European methodology

- **Comprehensive network** to ensure accessibility to all regions
- **Core network** focussing on strategically most important parts
- **Delegated acts** to adapt the comprehensive network according to traffic flows (inclusion/exclusion of nodes)
- **Maps** are contained in Annex I to the Regulation



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TEN-T Network

Comprehensive and Core Network

*Inland waterways and
ports*





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TEN-T Network

Comprehensive Network

*Railways, ports,
rail-road terminals*

Core Network

*Railways (freight),
ports,
rail-road terminals*





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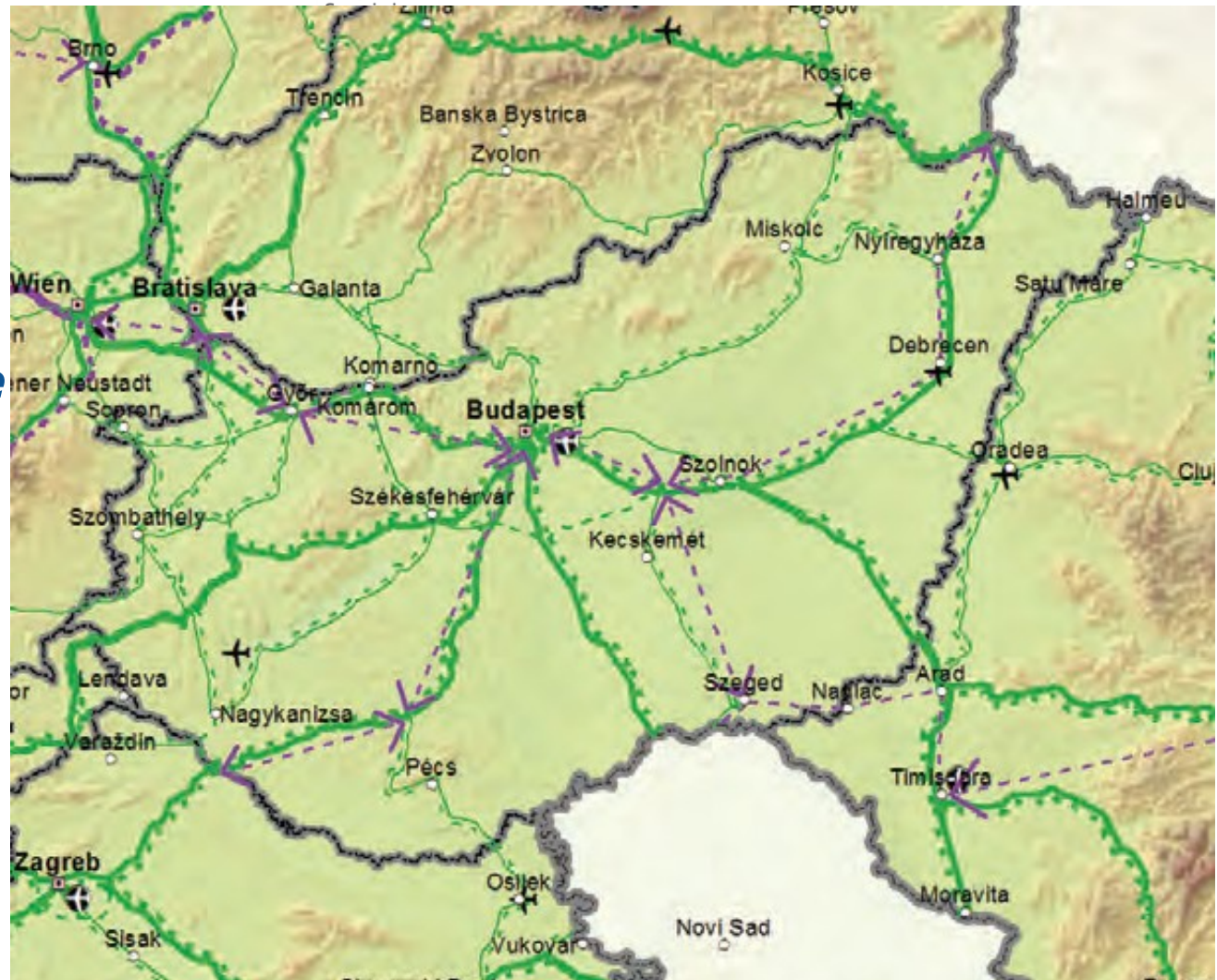
TEN-T Network

Comprehensive network

*Railways and
airports*

Core Network

*Railways
(passengers)
and airports*





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TEN-T Network

Core and Comprehensive networks

*Roads, ports,
rail-road terminals
and airports*



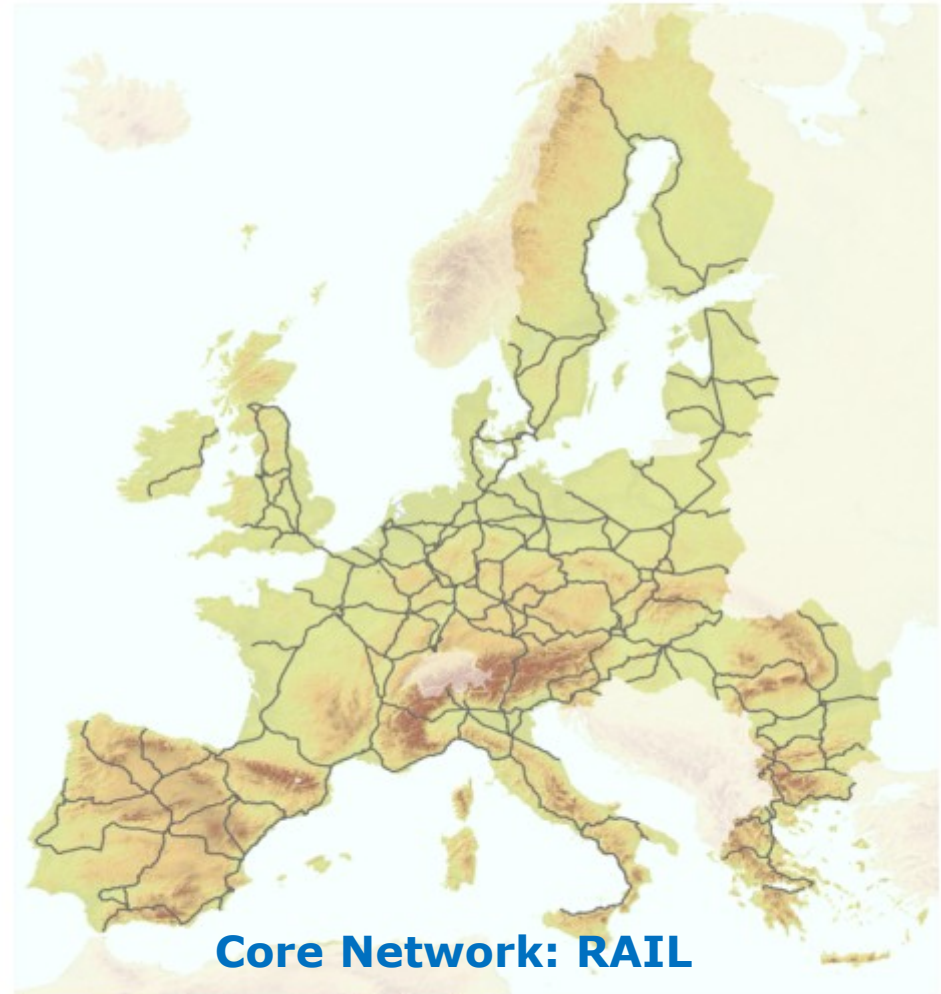
TEN-T: deadlines

by 2030:

replace the patchwork of priority projects by a single European core network

by 2050:

develop the comprehensive network as “ground layer” to ensure accessibility and common standards





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TEN-T standards Rail

Comprehensive Network

Electrification

ERTMS

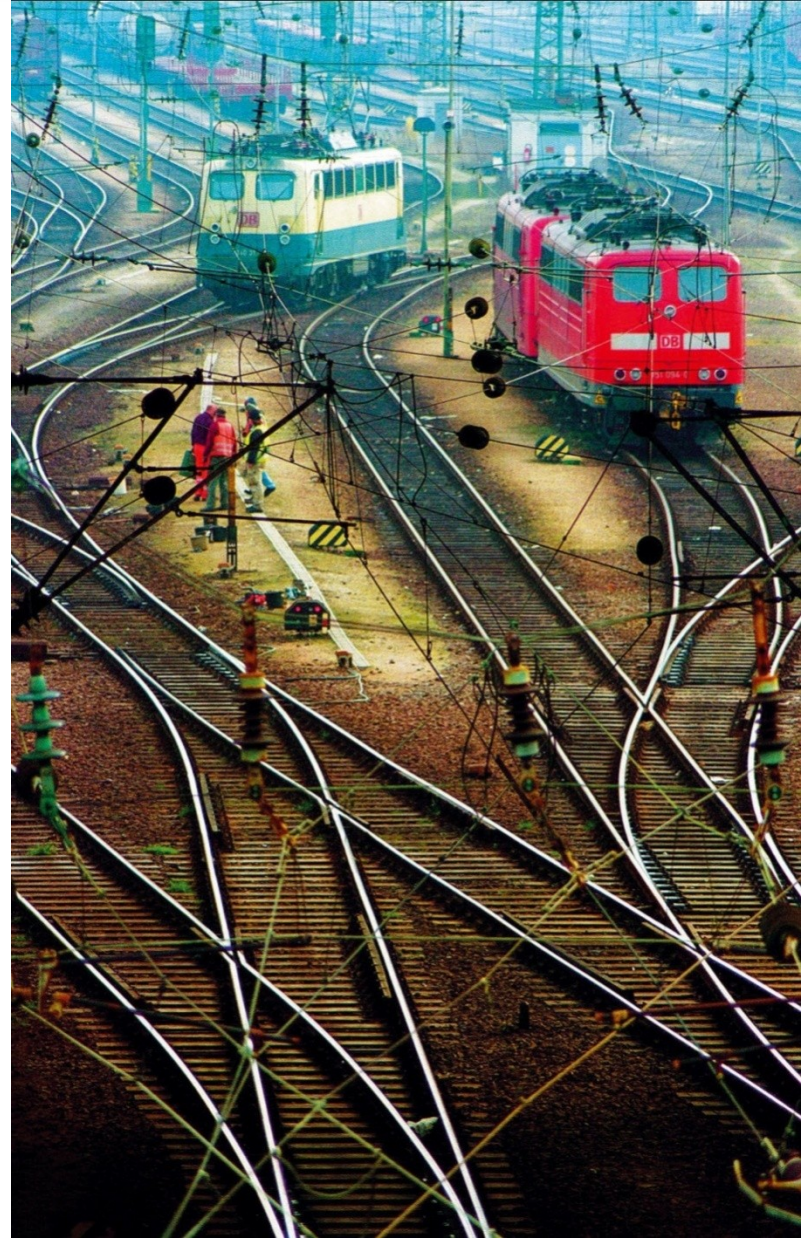
1435mm gauge

Connection with freight terminals

Core Network

[see Comprehensive network plus]

*freight lines (>100 km/h, 750m train
length, 22,5t axle load)*





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TEN-T standards

Roads

Comprehensive Network

High quality roads i.e. motorways, expressways, conventional strategic roads

Core Network

[see Comprehensive network plus]

Rest areas on motorways all 100 km including appropriate parking space for commercial road users

Availability of clean fuels





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TEN-T standards

Other modes

Comprehensive Network

Implementation and deployment of telematic applications (RIS, VTMISS, e-maritime services, SESAR)

Connection of airports and ports to TEN-T network

Core Network

[see Comprehensive network plus]

Availability of clean fuels at airports and ports

Connection of ANNEX II ports and airports to TEN-T network by 2030/2050

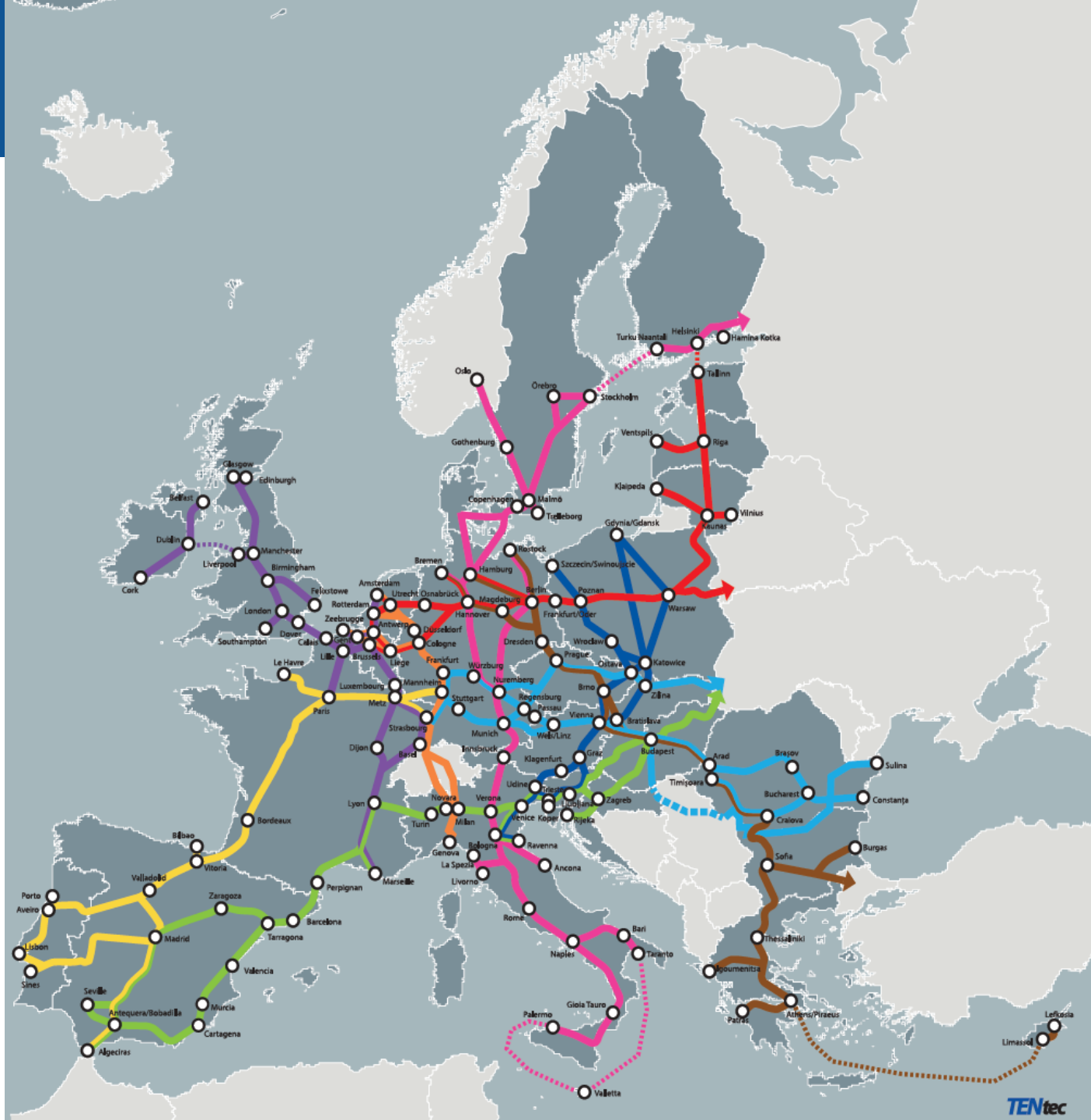


The implementation tools

Coordinators and Core Network Corridors

- **9 Core Network Corridors defined until 2020**
- **Support the implementation** of the core network
- **Synchronise investments** in order to optimise network benefits
- **Multimodal, involving at least 3 Member States**
- **Flexible governance structures**
- **Involvement of stakeholders**
- Core Network Corridors **aligned with Rail Freight Corridors**
- **Coordinators for ERTMS and Motorways of the Sea**

The 9 core network corridors defined in the CEF



How to make a corridor

- 1 • Nomination of coordinators
- 2 • Analysis of the Corridor
- 3 • Consultation of Corridor Forum
- 4 • Drawing up work plan
- 5 • Approval of work plan by Member States
- 6 • Implementing decision



TEN-T at the service of other transport policy objectives

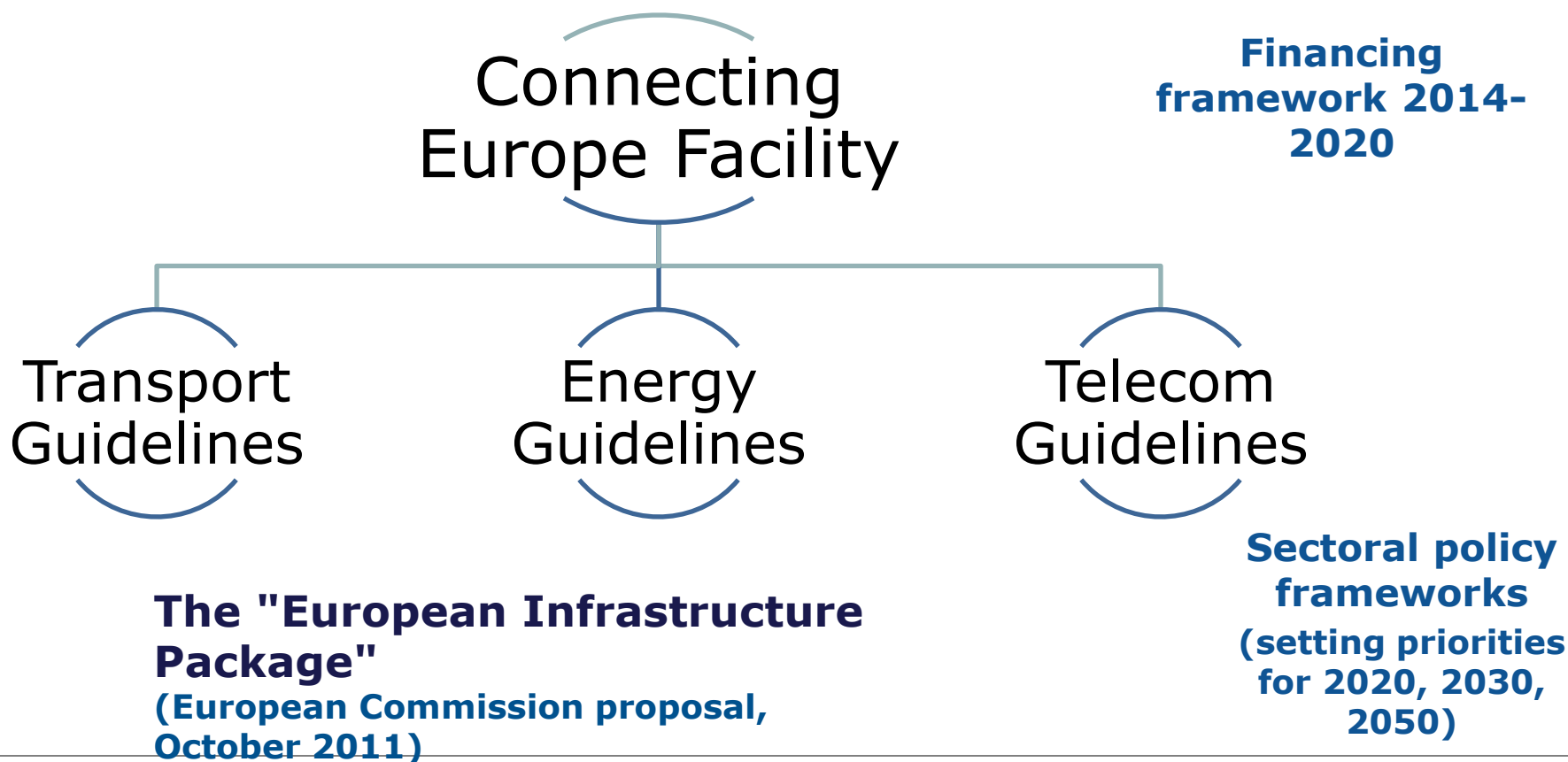
*A **unique framework** for the promotion of the whole European transport system*

- TEN-T Guidelines and CEF set a strong basis for EU funding of a broad range of transport policy actions
- Other EU funds may also support TEN-T/ transport policy objectives
- Opportunities for **far more than funding**:
 - identifying and spreading "best practices" along corridors
 - "marketing corridor brands"; highlighting the complementarity of all types of actions; communicating overall benefits; promoting the political value of the corridors
 - stimulating sustainable services for passengers and freight
 - making corridors the forerunners of transport policy objectives



Connecting Europe Facility

One instrument – three sectors





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Connecting Europe Facility

New funding framework:

- Exploitation of cross-sectoral **synergies**
- Stronger **concentration** of financial support on EU added-value projects
- Higher emphasis on the use of **innovative financial instruments**
- **Flexibility:** midterm revision of amounts between three sectors based on performance and absorption of funds
- **Complementarity (and not duplication)** with other EU instruments (ESIF and Horizon 2020)





CEF: budget

€33.2 billion in current prices

€26.250 billion for transport (Vs ~€8bn for 2007 – 2013)

- **€14 945 million for all 28 MS**
- **€11 305 million for the MS eligible to the Cohesion Fund**

€1.141 billion for broadband and digital services

€5.850 billion for energy infrastructure



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CEF Transport: €11.3 bn transfer from the Cohesion Fund - specific elements

Exclusively for transport projects in Member States (MS) eligible for the Cohesion Fund

- Aim: to **finance difficult projects** that the MS would not finance with the Cohesion Fund
- Projects of **high EU added value**
- **Rail and Inland Waterways, cross-border** (including road) and main **bottlenecks** on main European routes
- **Road: max. 10%** of the budget
- Only for projects listed in **Annex** and projects on the **Core Network**
- **Common project pipeline** for Cohesion Fund and CEF, in line with the transport strategy
- Need to ensure **network effect**, notably on Core Network Corridors

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, VT MIS (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 in Hungary

Mediterranean Corridor

Rijeka – Zagreb – Budapest	Rail	Studies and works (including construction of new track and second track between Rijeka and HU border)
Pragersko - Zalalövő	Rail	Cross-border section: studies, works to start before 2020
Lendava - Letenye	Road	Cross-border upgrading
Boba- Székesfehérvár	Rail	Upgrading
Budapest-Miskolc-UA border	Rail	Upgrading
Vásárosnamény-UA border	Road	Cross-border upgrading



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CEF in Hungary

Orient/East-Med Corridor

Bratislava – Hegyeshalom	Rail	Cross-border, upgrading
Mosonmagyaróvár – SK Border	Road	Cross-border upgrading
Tata – Bátorbágy	Rail	Upgrading
Budapest – Arad – Timișoara – Calafat	Rail	Upgrading in HU nearly completed, ongoing in RO



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CEF in Hungary

Rhine - Danube Corridor

Wien – Bratislava / Wien – Budapest / Bratislava – Budapest	Rail	Studies high-speed rail (including the alignment of the connections between the three cities)
Budapest - Arad	Rail	Studies for high-speed network between Budapest and Arad
Komárom – Komárno	IWW	Studies and works for cross-border bridge

+ Danube IWW



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CEF in Hungary

Other sections on the Core Network

Budapest – Zvolen	Cross-border	Road	Upgrading
Budapest – SRB Border	Cross-border	Rail	Studies



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CEF: Priorities

Political priorities: Commission Communication COM(2013)940

- **Major Cross-Border projects on the Corridors**
- **Other cross-border, bottlenecks and multimodal projects on the Core Network and the Corridors**
- **SESAR**
- **ERTMS**
- **Other Telematic Application systems (RIS, ITS, e-Maritime...)**
- **Motorways of the Sea, including LNG**
- **New technologies and innovation**
- **Horizontal priorities to be deployed in priority along the Core Network Corridors**

The Communication gives an estimate of financial support for each priority, actual spending depends on project selection!

Multiannual work programmes (80 to 85%)			
Priority	Specific objective concerned	Min - Max for 14.9bn (in million EUR)	Min - Max for 11.3bn (in million EUR)
Major Projects on the Corridors	bottleneck, missing links, cross-border and rail interoperability	4,000-5,000	10,000-10,000
Other projects of the Core Network and its corridors, incl. rail interoperability, inland connections to ports & airports	bottleneck, missing links, cross-border and rail interoperability	3,500-4,500	
SESAR	integration - interoperability	2,000-2,500	300-500
ERTMS	bottleneck, missing links, cross-border and rail interoperability	600-700	200-400
Other TMS, including ITS for road, RIS and VT MIS	integration - interoperability	250-400	
Motorways of the Sea (incl. LNG projects and development of ports)	integration - interoperability	400-600	100-300
New technologies & innovation	sustainability - innovation	200-300	50-100

Annual Work Programmes (15 to 20%)



<i>Priorities</i>	<i>Specific objective concerned</i>	Min - Max for 14.9bn (in million EUR)	Min - Max for €11.3bn (in million EUR)
Projects on the comprehensive network (cap of 5%)	<i>bottleneck, missing links, cross-border, rail interoperability</i>	600-1000	
Projects to connect the trans-European transport network with infrastructure networks of neighbouring countries	<i>bottleneck, missing links, cross-border...</i>	50-100	
For freight transport services	<i>sustainability - innovation</i>	150-200	
For actions to reduce freight noise	<i>sustainability - innovation</i>	200-260	
Financial instruments	<i>All</i>	1,300-2,400	
Programme support actions		150-150	110-110



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Financial instruments – Why?

Limited € available: €26bn to cover €250bn needs!

Limited eligibility of grants under CEF

- **Mostly Core Network (5% can go on the comprehensive network when cross-border)**
- **Rail, Inland Waterways, Connections to ports and airports, Traffic Management systems, MoS**

Full eligibility for Financial Instruments

- **The whole TEN-T network, Core & Comprehensive**
- **All projects eligible under TEN-T Guidelines**
- **All modes of transport**
- **Ground and on-board components of traffic management systems or alternative propulsion systems**

Financial instruments – How? (1)

Projects targeted for financial instruments under CEF:

Projects with identifiable revenue streams or commercial benefits and long-term repayment:

- **Motorways with tolls, shadow-tolling, availability schemes**
- **Airports development (e.g. New terminal)**
- **Ports development (capacity extension)**
- **Alternative fuelling infrastructure and on-board equipment (e.g. LNG in boats)**
- **Traffic Management Systems on-board equipment (e.g. SESAR)**

Horizontal solutions may be offered for TMS or alternative fuels

Possible combination with grants for first movers, but limited amount of grants to be made available

Financial instruments – How? (2)

Type of Financial instruments

- **Equity instruments**

Risk-capital, e.g. **Marguerite Fund**

Investing in equity reduces the need for debt and reduces the level of risks

- **Debt instruments**

Guarantees and risk-sharing instruments, e.g. **LGTT and Project Bonds**

- LGTT to support bank lending

- Project Bonds made to support investment from Capital Market investors (Pension funds, insurance companies)

CEF can contribute to the **RSFF (Risk-Sharing Finance Facility)** under FP7/Horizon 2020).

- RSFF can provide loans or guarantee for projects with innovation, research or technological risks, up to 50% of the eligible costs.