



EUROPEAN COMMISSION

MEMO

Bridging the Investment Gap in Transport

Results of the 2017 Connecting Europe Facility Transport Blending call for proposals (First cut-off date)

Brussels, 30 November 2017

What is the 2017 Transport Blending call?

It is a new and innovative way of financing transport infrastructure projects in Europe. The call for proposals seeks to combine €1 billion of grants ([Connecting Europe Facility - Transport](#)) with financing from public financial institutions, the private sector or, for the first time, the [European Fund for Strategic Investments](#), which is at the heart of the Investment Plan for Europe and a top priority for the **Juncker** Commission. This first ever combination of funds will help to achieve the twin objectives of boosting investment to fund innovative, sustainable transport infrastructure upgrades while leveraging other possible funds to co-finance the investments together with grants.

Why do we need investment in transport infrastructure?

Transport is important for sustainable European growth.

Transport faces a wide range of challenges across the EU such as: the significant investment needed to complete the TEN-T core network; the removal of bottlenecks; bridging finance gaps in certain areas and upgrading of infrastructure.

What is the objective of the CEF Transport Blending call?

The [2017 CEF Transport Blending call](#) is open to project proposals in 11 priority areas covering all transport modes, infrastructure, as well as multimodal logistics platforms.

The call's objective is to enable a coordinated selection and award process for projects receiving a CEF Transport grant combined with funding from the European Fund for Strategic Investments ([EFSI](#)), the European Investment Bank ([EIB](#)), National Promotional Banks or private sector investors, in order to maximise the leverage of private sector capital, and involvement in the delivery of projects, while respecting the principle of non-cumulative award.

The call was published with two cut-off dates: Under the first cut-off date, 14 July 2017, 39 projects, requesting a total of €1.02 billion in EU funding, were selected for funding. The call remains open for new project proposals until 12 April 2018, the second and last call cut-off date.

What types of projects can receive funding?

In addition to leveraging the effect of EU funds and facilitating access of project promoters to financing by the EIB, public financial institutions or the private sector, the selected projects contribute to the following three funding objectives:

- Removing bottlenecks and bridging missing links, enhancing rail interoperability, and, in particular, improving cross-border sections that invite applicants from all Member States
- Ensuring sustainable and efficient transport systems in the long run, with a view to preparing for expected future transport flows, as well as enabling all modes of transport to be decarbonised through transition to innovative low-carbon and energy-efficient transport technologies, while optimising safety
- Optimising the integration and interconnection of transport modes and enhancing the interoperability of transport services, while ensuring the accessibility of transport infrastructures

Who applied?

68 applicants submitted proposals for a total of €2.2 billion of co-funding by the first cut-off date of 14 July 2017. The applicants were mostly Member States and public or private undertakings.

How much funding was available under the 2017 CEF Transport Blending call for proposals?

Initially, €1 billion (from the CEF general envelope) was available to fund one or several call objectives. This is the budget that applies to the first cut-off date, and is now fully allocated.

On 8 November 2017, in the context of the [Clean Mobility Package](#), the total amount of funding available for this call was increased by €350 million for alternative fuels infrastructure within the priority 'Innovation and New technologies'. Deadline for applications is 12 April 2018.

In addition to the budget increase, some [call conditions were also updated](#).

How is the EU funding for transport infrastructure awarded?

CEF Transport funding is awarded via competitive calls for proposals mainly through grants. The 2017 CEF Transport Blending call for proposals was published by [the European Commission's Innovation and Networks Executive Agency \(INEA\)](#) on 8 February 2017, with two cut-off dates: 14 July 2017 and 12 April 2018.

The selection was based on a standard evaluation process in two phases:

- External assessment by independent experts basing their evaluation on pre-identified award criteria to ensure transparency and equal treatment of all eligible proposals
- Internal selection by the Commission's Directorate-General for Mobility and Transport (DG MOVE), which undertook a qualitative analysis of the overall contribution of projects for the development of EU transport policy.

Following these two steps, 39 projects, requesting a total of €1.02 billion in EU funding, were retained. The EU Member States represented in the Connecting Europe Facility Coordination Committee must now formally approve the proposed funding decision at their meeting on 12 December 2017.

The European Commission's Innovation and Networks Executive Agency ([INEA](#)) will prepare and sign individual grant agreements with project beneficiaries in the first quarter of 2018.

What projects will get CEF funding under the 2017 Blending call for proposals?

Projects selected for funding are those with the highest EU added-value located on the [core trans-European transport network \(TEN-T\)](#). In order to ensure the most effective use of limited EU resources, these grants will be reserved for projects which are difficult to implement due to their cross-border nature, or due to a very long return on investment.

Examples of projects to be financed include:

- Upgrading the Danish railway access line to the cross-border Fehmarnbelt tunnel between Denmark and Germany to increase the line's speed to 200 km/h (€123.5 million CEF co-funding)
- Deploying the common European Railway Traffic Management System ([ERTMS](#)) on the Paris-Lyon high speed rail line in France for safer and more efficient transport services (€116.9 million CEF co-funding)
- Enlarging the Divača-Koper railway line in Slovenia to improve the capacity, safety and reliability of the line, as well as shortening the travel time (€109 million CEF co-funding)
- Deploying a pan-European network of 340 charging stations for electric cars in 13 EU countries (€39.1 million CEF co-funding)
- Raising 15 bridges on the Albert canal, the most important Belgian inland waterway, to enable larger freight transport capacity on the canal (€27 million CEF co-funding)
- Increasing the handling capacity of the Port of Gdansk in Poland (€19.9 million CEF co-funding)

How does the co-financing work? How much money comes from Member States and how much comes from the EU?

Transport infrastructure requires significant investment – and an important share will always come from Member States and other public and private investors. The EU's role in terms of investment and co-ordination is to add value by removing difficult bottlenecks and building missing links and connections, and to support the creation of a real European transport network.

The regular CEF co-financing rates for TEN-T projects under this call are:

- Up to 50% for studies
- Up to 10% for works on cross-border road sections
- Up to 30% for works (for example exploratory works for a major tunnel)
- Up to 50% for certain traffic management projects, like for ERTMS, to support Member States making the transition to higher standards

The call text does not define the minimum amount of requested funding. However, the European Commission strongly encourages applicants to only submit projects requesting an EU contribution for the eligible costs above €500,000 for studies and €1,000,000 for works. Applications below these thresholds are evaluated on a case-by-case basis.

How will the projects be managed?

The CEF Programme is managed centrally by the European Commission, which sets the political priorities and is responsible for the selection of projects through competitive calls for proposals.

The Commission is assisted by INEA for the evaluation and selection of projects and for the overall technical and financial monitoring of project implementation.

Beneficiaries in the Member States manage the projects, and the Member States remain responsible for monitoring the implementation of the projects.