



EUROPEAN  
COMMISSION

Brussels, 3.8.2017  
C(2017) 5437 final

ANNEX 1

**ANNEX**

*to the*

**COMMISSION IMPLEMENTING DECISION**

**amending Commission Implementing Decision C(2014)1921 establishing a Multi-Annual Work Programme 2014-2020 for financial assistance in the field of Connecting Europe Facility (CEF) - Transport sector for the period 2014-2020**

**EN**  
**ANNEX**  
**PART I**  
**"ANNEX II ter**

**referring to objectives and priorities of the CEF-Transport in the SESAR sector to be implemented by call for proposals under the Multi-Annual Work Programme 2014-2020 in 2017**

## **1. BUDGET**

### **1.1. Budget heading**

- 06020101 - Removing bottlenecks and bridging missing links;
- 06020102 - Ensuring sustainable and efficient transport in the long run;
- 06020103 - Optimising the integration and interconnection of transport modes and enhancing interoperability, safety and security of transport;
- 06020104 - Connecting Europe Facility (CEF) — Cohesion Fund allocation.

### **1.2. Budget resources**

For the call for proposals:

The **additional** amount in the field of the Connecting Europe Facility (CEF) - transport sector to be allocated in 2014 - 2020 to the call for proposals to be launched in 2017 shall be:

- EUR 290 000 000 under the budget line 06020103 for the calls 2017

For contribution to an entrusted body:

- EUR 10 000 000 under the budget line 06020103 to the SESAR Joint Undertaking, in line with Article 6(3) of the Regulation (EU)1316/2013, in order to carry out the pre-deployment and validation of drones under the priority of the Single European Sky.

For the Contribution to the **mid-term review of the CEF - transport projects under the MAP** to be carried out by the Commission in cooperation with INEA:

- EUR 500 000 under the budget line 06020101

The indicative breakdown of annual instalments of the Union financial support including the global overview of budgetary implementation is provided for in Annex.

The Work Programme defines the means of implementation of the Union financial support.

## **2. FUNDING OBJECTIVES**

This Work Programme establishes the basis for the allocation of the Union financial assistance to projects of common interest and to the Programme Support Actions in the field of Connecting Europe Facility (CEF) - transport sector.

This Work Programme is organised according to the following funding priorities in line with the CEF Regulation as supplemented by the Delegated Act of 8 July 2016<sup>1</sup> concerning the CEF transport funding priorities:

- 2.1 Funding priorities for the objective of bridging missing links, removing bottlenecks, enhancing rail interoperability, and, in particular, improving cross-border sections
- 2.2 Funding priorities for the objective of 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
- 2.3 Funding priorities for the objective of optimising the integration and interconnection of transport modes and enhancing the interoperability of transport services, while ensuring the accessibility of transport infrastructures
- 2.4 Programme support actions.

### **3. OBJECTIVES AND PRIORITIES:**

#### **3.1. Priorities for the objective of optimising the integration and interconnection of transport modes and enhancing the interoperability of transport services, while ensuring the accessibility of transport infrastructures**

##### **3.1.1. *Single European Sky – SESAR***

#### **Priority open to all Member States**

##### General objective

The objective in the area is to support the timely and efficient implementation of the Single European Sky (SES), in particular, but not limited to, the deployment of the Single European Sky Air Traffic Management Research and Development project (SESAR). The SESAR project represents the technological pillar of the SES. It aims to modernise Air Traffic Management (ATM) in Europe and to provide the Union with a high performing ATM infrastructure that will enable the safe, efficient and environmentally friendly operation and development of air transport.

The achievement of this objective requires improving the performance of ATM in Europe by modernising and harmonising ATM systems, synchronising the deployment of essential ATM functionalities, enhancing civil-military interoperability, reducing fragmentation and consolidating the provision of air navigation services.

##### Specific objectives

Actions under this priority may include studies<sup>2</sup>, works and telematics applications systems and services<sup>3</sup> in accordance with the provisions of Article 10(2) of Regulation (EU) No 1316/2013, under the following 2 categories:

#### **1. Common Projects category**

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<sup>1</sup> OJ L247/1 of 15 September 2016

<sup>2</sup> To qualify for funding under the Common Projects category, studies are to be directly relevant to improving civil/military cooperation and/or specifically leading to accelerated implementation of Common Projects.

<sup>3</sup> Article 3(f) of Regulation (EU) 1315/2013 of the European Parliament and of the Council.

This category includes civil and military **Implementation projects** deploying ATM functionalities<sup>4</sup> identified in Common Projects<sup>5</sup>, in accordance with the **Deployment Programme**<sup>6</sup>. Actions may include prerequisites, preparatory activities (for example supporting industrialisation<sup>7</sup> of ATM functionalities identified in the Common Projects) and additional validation activities that are either not covered by the SESAR Joint Undertaking or that are not already receiving financial support from the Union.

Grants for projects in this category shall be awarded through Specific Grant Agreements established under the SESAR Deployment Framework Partnership Agreement concluded between the Deployment Manager<sup>8</sup> and the implementing partners, on the one hand, and the Commission on the other hand<sup>9</sup>. **The Deployment Manager is to act as coordinator in each of these projects.** Applicants who are selected to be awarded a grant under this category and are not partners in the SESAR Deployment Framework Partnership shall be required to join the SESAR Deployment Framework Partnership, as partners, by signing the Framework Partnership Agreement before being able to sign the Specific Grant Agreements covering their projects.

Applicants under this category must coordinate their applications with the Deployment Manager who shall perform a screening of these applications to assess their relevance to this category and compliance with the Deployment Programme and the priorities of the call for proposals. Based on this assessment, the Deployment Manager may advise the applicants to revise their applications or to submit them under the "Other projects" category (See paragraph 2 below). Please note that the preliminary screening is not part of the official selection process which is the sole responsibility of the European Commission. Its results should therefore not be considered as an indication of the outcome of the evaluation any proposal submitted to the call.

The amount of financial assistance to be granted to the Actions selected under this category may be modulated on the basis of either the Cost-Benefit Analysis (CBA) of the Common Projects or a Cost-Effectiveness Analysis (CEA) of the implementation project proposals. Consequently a CEA for the implementation projects must be submitted together with the application as a stand-alone document. This document must be clearly identified as such. The applicant's attention is drawn to the fact that the presence of such a stand-alone document constitutes an eligibility requirement and that it is the responsibility of the applicant to provide a document in line with the requirement of section 7.2 below, the absence of which the proposal will be excluded from the evaluation.

The model Specific Grant Agreement for SESAR Implementation projects and the model

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<sup>4</sup> Commission Implementing Regulation (EU) No 409/2013 of 3 May 2013 on the definition of common projects, the establishment of governance and the identification of incentives supporting the implementation of the European Air Traffic Management Master Plan (OJ L 123, 4.5.2013, p. 1).

<sup>5</sup> The first Common project is defined in Commission Implementing Regulation (EU) No 716/2014 of 27 June 2014 on the establishment of the Pilot Common Project supporting the implementation of the European Air Traffic Management Master Plan (OJ L 190, 28.6.2014, p. 19).

<sup>6</sup> Section 2 of Implementing Regulation (EU) No 409/2013; the Deployment Programme as approved and published by the Commission. The Deployment Programme can be found at: <http://www.sesardeploymentmanager.eu/sesar-deployment-manager-delivered-first-atm-infrastructure-deployment-programme/>

<sup>7</sup> Article 2(5) of Implementing Regulation (EU) No 409/2013.

<sup>8</sup> <http://www.sesardeploymentmanager.eu/contact/>

<sup>9</sup> More information about the SESAR deployment set-up is available at [http://ec.europa.eu/transport/modes/air/sesar/deployment\\_en.htm](http://ec.europa.eu/transport/modes/air/sesar/deployment_en.htm).

SESAR Framework Partnership Agreement shall be published with the calls for proposals.

Applicants for Actions under this category shall provide evidence that national civil-military coordination has taken place. This has to be validated by the Member States concerned, which need also to provide their agreement on the proposals in accordance with Article 9(1) of Regulation (EU) No 1316/2013.

Furthermore, Member States concerned shall verify that the projects proposed under this category are consistent with their adopted performance plans referred to in Commission Implementing Regulation (EU) 390/2013.

## **2. Other projects category**

This category comprises other projects not included in Common Projects, and not falling under the competence of the Deployment Manager, that contribute to the implementation of the SES by promoting the optimal provision of air navigation services and seamless functioning of the European ATM system.

In this category, priority shall be given, to proposals for Actions that:

- (a) deploy new technologies and best practices<sup>10</sup> aiming to implement or support interoperable and harmonised ATM systems and equipment (e.g. primarily focusing on meeting the requirements of existing implementing rules and/or their related means of compliance under Regulation (EC) No 552/2004 of the European Parliament and of the Council<sup>11</sup> or Regulation (EC) No 216/2008 of the European Parliament and of the Council<sup>12</sup>);
- (b) address the optimal provision of air navigation services and aircraft operations, in particular to those Actions concerning:
  - Commonality of technical systems or at least of subsystems and tools;
  - Communication, Navigation and Surveillance (CNS) infrastructure rationalisation such as replacement of legacy or overlapping secondary surveillance radars or navigation aids with lower cost technology solutions, including the use of LPV-200 service level for potential rationalisation of ILS Cat-I.
  - Introduction of Performance Base Navigation (PBN) procedures and ground and airborne equipment, in particular those related to the use of satellite technologies, together with a planned reduction in legacy infrastructure, including the operational implementation of EGNOS based operations with SBAS avionics deployment;
  - Deployment of equipage with safety enhancing technologies, such as collision avoidance systems, weather information, instrument flight capabilities or other

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<sup>10</sup> Best in class technologies and practices: technologies and operational practices that are demonstrated to be best in class from cost-efficiency and performance perspective when compared with other technologies and practices applied in similar environments.

<sup>11</sup> Regulation (EC) No 552/2004 of the European Parliament and of the Council of 10 March 2004 on the interoperability of the European Air Traffic Management network (the interoperability Regulation) (OJ L 96, 31.3.2004, p. 26).

<sup>12</sup> Regulation (EC) No 216/2008 of the European Parliament and of the Council of 20 February 2008 on common rules in the field of civil aviation and establishing a European Aviation Safety Agency, and repealing Council Directive 91/670/EEC, Regulation (EC) No 1592/2002 and Directive 2004/36/EC (OJ L 79, 13.3.2008, p. 1.)

advanced avionics for General Aviation aircraft or instrument flight operations and onboard technologies for Helicopters, including the use and approval of EGNOS for low level routes and Point in Space approaches.

- airspace projects culminating in the cross-border implementation of Free Routing across the FAB;
- common Air Traffic Flow Management (ATFM) Flow Management Position (FMP), starting with joint operation of FMPs, joint ATFM;
- cross-border operation of Air Traffic Control (ATC) within a FAB;
- optimal vertical profiles (climb as well as descent) at airports and in TMAs (Terminal Control Areas);
- airspace planning carried out (cooperatively) for the whole FAB region;
- dynamic sectors spanning across national borders;
- sector boundaries put in low-interaction areas;
- cross-border sectorisation.

(c) aim to deploy or support the deployment of ATM functionalities defined in the European ATM Master Plan and the deployment baseline that are not included in Common Projects. Priority shall be given to projects addressing those ATM functionalities that are defined as “essential” in the European ATM Master Plan or that constitute SESAR solutions<sup>13</sup>;

The Actions proposed under this category must not duplicate or oppose the implementation of Common Projects or the activities of the SESAR Joint Undertaking and must contribute to meet the performance targets in the context of the performance scheme.

**For both categories mentioned above:**

- Priority shall be given to Actions or parts of Actions that: most contribute to ATM performance; or are organised at FAB level; or promote Union-wide, inter-FAB or civil-military coordination; or address effective change management; or create new employment opportunities or strengthen the use of EGNOS and Galileo in line with the European Commission Space Strategy for Europe.
- In order to optimise the impact of Union funding, the scope of the calls for proposals may focus on some of the priorities, ATM functionalities or parts thereof mentioned in paragraphs 1 and 2. In this case, the priority topics shall be identified in the calls for proposals.
- Indicatively, 80% of the funding available under Priority "Single European Sky - SESAR" shall be dedicated to projects selected under the Common Projects category. However, the final allocation of funding may be adjusted between Common Projects and Other Projects categories depending on the actual funding needs of the selected Actions, while giving priority to the implementation of Common Projects.
- Funding shall not be granted for Actions or parts of Actions addressing obligations under Union Law, in particular relating to the SES, whose deadline for implementation has

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<sup>13</sup> SESAR Solutions are operational and technological improvements developed by SESAR Joint Undertaking members and partners which aim to contribute to the modernisation of the European and global ATM system (<http://www.sesarju.eu/solutions>).

expired by the date on which this call is published. In any case, costs for such Actions shall not be eligible after the above-mentioned deadline for implementation.

- Actions may be implemented in the form of a joint procurement or financial support to third parties.
- Where an Action entails financial support from the beneficiary to third parties, the beneficiary may give such financial support pursuant to the conditions set out in Article 137 of the Financial Regulation<sup>14</sup>, in particular, provided that :
  - the financial support is the primary aim of the Action;
  - the beneficiary offers adequate guarantees as regards the recovery of amounts due to the Commission;
  - the conditions for the giving of such support are strictly defined in the grant agreement between the beneficiary and the Commission/Agency, in order to avoid the exercise of discretion by the beneficiary;
  - the applicant describes in the application form:
    - the maximum amount to be granted to each third party and the criteria for determining the exact amount;
    - the types of activities that may receive such financial support on the basis of a fixed list;
    - definition of the third parties or categories of third parties that may receive such financial support and the criteria for giving it, including the award procedure as well as how the principles of transparency and equal treatment and the provisions of Article 9 of the CEF Regulation will be ensured.

### ***3.1.2. Contribution (EUR 10 million) to an entrusted body- the SESAR Joint Undertaking- in line with Article 6(3) of the Regulation (EU)1316/2013 with the purpose of establishing demonstration platforms for “U-Space” initial services***

#### **Background information**

The demand for drone services in the Union is steadily increasing, with the potential to generate significant economic growth and societal benefits, as recognised in the 2015 EU Aviation Strategy, in the 2016 SESAR Drones Outlook Study<sup>15</sup>..

In this context, the “U-space<sup>16</sup>” initiative of the European Commission consists of a set of new services and specific procedures designed to support safe, efficient and secure access to airspace for large numbers of drones. The progressive deployment of U-space is linked to the increasing availability of blocks of services and enabling technologies. These services rely on a high level of digitalisation and automation of functions, whether they are on board the drone itself, or are part of the ground-based environment. The enabled technologies include satellite

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<sup>14</sup> Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council of 25 October 2012 on the financial rules applicable to the general budget of the Union and repealing Council Regulation (EC, Euratom) No 1605/2002.

<sup>15</sup> [http://www.sesarju.eu/sites/default/files/documents/reports/European\\_Drones\\_Outlook\\_Study\\_2016.pdf](http://www.sesarju.eu/sites/default/files/documents/reports/European_Drones_Outlook_Study_2016.pdf)

<sup>16</sup> <http://www.sesarju.eu/u-space-blueprint>

positioning and navigation, notably with EGNOS and Galileo, since they provide increasing accuracy and integrity and enable geo-fencing concept.

U-space provides an enabling framework to support routine drone operations, as well as a clear and effective interface to manned aviation, air traffic management/air navigation services providers and authorities. U-space is therefore not merely a defined volume of airspace, segregated and designated for the sole use of drones. U-space is a system capable of ensuring the smooth operation of drones in all operating environments and in all types of airspace, in particular - but not limited to - very low level airspace. It addresses the needs to support all types of missions and may concern all drone users and categories of drones.

Developing and deploying “U-Space” is therefore fundamentally a matter of modernising, harmonising and improving the efficiency of air traffic management (ATM) in Europe and consequently a subject falling under the scope of the SESAR (Single European Sky ATM Research and Development) project. In fact, the integration of Remotely Piloted Aircraft Systems or RPAS (including drones) is addressed in the European ATM Master Plan which is the main planning tool for defining the SESAR ATM modernisation priorities.

Consequently, it complies with the CEF objectives and priorities supporting the timely and efficient implementation of the Single European Sky, in particular the deployment of the SESAR project.

### ***Entrusted body***

The SESAR Joint Undertaking is the single Union body responsible for coordinating all ATM relevant research, development and validation activities in the Union covered by the development phase of the SESAR project. The SESAR Joint Undertaking has an extensive and long standing experience in the ATM sector and in managing large scale development and demonstration projects.

The SESAR Joint Undertaking has already developed the concept of operations for "U-space". However, this concept requires specific testing and demonstration activities.

Since 2007, the SESAR Joint Undertaking has been managing Union funds and grant procedures as well as coordinating a wide range and number of stakeholders. The Joint Undertaking is subject to the rules, procedures and budgetary controls which govern and monitor all Union bodies, thus offering the necessary guarantees of independency, transparency and efficient financial management.

The implementation of the CEF budget will therefore be delegated to the SESAR Joint Undertaking, as per Article 6(3) of CEF Regulation.

### **Objective**

The objective of this action is to perform large scale demonstrations for the U-Space initial services that support the management of drone operations and may include flight planning, flight approval, safe and robust navigation and geofencing enabled by EGNOS and Galileo, tracking, airspace dynamic information, and procedural interfaces with air traffic control, as outlined in the U-space Blueprint (insert link to web site where it's published). The SESAR Joint Undertaking shall define the specifications of an open call for proposals, which should be published in January 2018, for the purpose of setting up five demonstration platforms for the above mentioned initial U-Space services. The aim is to evaluate the proposals and award the grants in Q2 2018. The demonstration works are to start in Q3 2018 for an estimated duration of one year.



Indicative amount to be committed in 2017	EUR 10M	Indicative timeframe for the call	Q1 2018 (January)
Period (Years)	1	Comments	EUR 10M foreseen for 5 demonstration projects
Indicative number of grants	5		

#### 4. RESULTS EXPECTED

The implementation of the 2014-2020 Multi-annual Work Programme aims at contributing at the realisation of the transport core network by 2030, thereby further enhancing the effectiveness and visibility of the trans-European transport network, while promoting growth and job creation, in line with Europe 2020 strategy. It is expected that the granting of support on the basis of this programme will contribute to the timely and efficient development of a number of core network corridors in their entirety or in significant parts, will support the realisation of a robust and resource efficient European transport system and will contribute to addressing climate change.

The actions which will be completed with financial assistance allocated under the 2016 calls implementing the 2014-2020 Multi-annual Work Programme will directly contribute to the achievement of important transport policy objectives, such as: the establishment of major interoperable transport axes interconnecting national networks and facilitating the functioning of the internal market; the optimal use of existing infrastructure capacities; improving the safety and reliability of the network; enhancing accessibility of peripheral areas of the Union; facilitating congestion relief on rail infrastructure and more balanced modal distribution; and savings in terms of the environmental effects of transport, in particular contributing to addressing climate change.

Granting of financial assistance to these actions shall help to reach important milestones marking the way towards the completion of the trans-European transport network, as approved by the European Parliament and the Council. Union funding shall help to mobilise as much public and private financing as needed to meet the challenging timetables.

For all priorities under chapter 3, the Commission encourages that eligible actions under the CEF may use services provided by EGNOS/ Galileo.

## 5. INDICATIVE TIMETABLE AND AMOUNTS AVAILABLE FOR THE MULTI-ANNUAL CALLS FOR PROPOSALS 2017

Objective	Priority	Calls under general envelope (indicative date of publication)	Indicative amounts under general envelope
		<b>Call open to all Member States</b>	
Optimising the integration and interconnection of transport modes and enhancing the interoperability of transport services, while ensuring the accessibility of transport infrastructures	Single European Sky – SESAR	Q4 of 2017	€290 million
<b>TOTAL</b>			<b>€290 million</b>

Of each budget line an amount up to 0.125% and no more than EUR 1,250,000 is earmarked for evaluation expenses and translation costs involved in the evaluation of proposals (Article 204 FR)

## 6. ELIGIBILITY CRITERIA

### 6.1. Eligible applicants

Applications must be presented by:

- one or more Member States, and / or
- with the agreement of the Member States concerned, by international organisations, joint undertakings, or public or private undertakings or bodies or entities established in Member States.

Proposals may be submitted by entities which do not have legal personality under the applicable national law, provided that their representatives have the capacity to assume legal obligations on their behalf and offer a guarantee for the protection of the Union's financial interests equivalent to that offered by legal persons.

Project proposals submitted by natural persons are not eligible.

Third Countries and entities established in third countries may participate in actions contributing to projects of common interest where necessary in order to achieve the objectives of a given project of common interest. They may not receive financial assistance except where it is indispensable to the achievement of the objectives of a given project of common interest.

In such cases and pursuant to Article 8(1) of the TEN-T guidelines, applications may be presented by neighbouring/third countries or entities established in neighbouring/third countries, with the agreement of a Member State.

Actions involving a cross-border section or a part of such a section shall be eligible to receive Union financial assistance only if there is a written agreement between the Member States concerned, or between the Member States and neighbouring/third countries concerned by the completion of the cross-border section.

#### Grounds for Exclusion

In the call for proposals the Commission shall draw applicants' attention to Articles 106 and Article 131 of the Financial Regulation, as well as to Article 141 of the Rules of Application.

### **6.2. Eligible projects**

#### **6.2.1. Common interest**

Only projects which can be qualified as projects of common interest identified in the TEN-T Guidelines may receive Union financial assistance. Projects have to comply with the following provisions of Article 7 of the TEN-T guidelines:

- (1) contribute to the objectives falling within at least two of the four categories set out in Article 4 of the TEN-T guidelines;
- (2) comply with Chapter II and, for core networks, Chapter III of the TEN-T guidelines;
- (3) be economically viable on the basis of a socio-economic Cost-Benefit Analysis
- (4) demonstrate European added value.

Only projects and horizontal priorities listed in Part I of Annex I of the CEF Regulation are eligible for the purpose of this work programme.

#### Cost Benefit Analysis

Pursuant to Article 10 of the CEF Regulation and in view of assessing (3) above,, all proposals for 'works' must be accompanied by a Cost-Benefit Analysis, presented as a stand-alone document proposing the co-funding rate requested for the project, while taking into account the maximum funding rates stipulated in the CEF Regulation. Proposals submitted under the SESAR priority can replace a full Cost Benefit Analysis by a Cost Effectiveness Analysis. Member States shall be asked to use a recognised methodology. The use the Cohesion Policy methodology<sup>17</sup> for Cost-Benefit Analysis, covering also the Cost Effectiveness Analysis, is recommended. The CBA or CEA must be clearly identified as such.

For projects generating net revenue, the Cost-Benefit Analysis shall be followed by a calculation of the "funding gap" i.e. the share of the project's costs that is not covered by net revenue in a clear and concise manner. Where projects generate revenues during the requested period of the Union funding, the applications must quantify in clear and precise manner in the relevant documents the revenues generated by the project to justify the request for additional Union funding.

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<sup>17</sup> [http://ec.europa.eu/regional\\_policy/sources/docgener/studies/pdf/cba\\_guide.pdf](http://ec.europa.eu/regional_policy/sources/docgener/studies/pdf/cba_guide.pdf)

### 6.2.2. *Compliance with the Union Law*

The granting of Union financial assistance to projects of common interest is conditional upon compliance of the project with relevant Union law<sup>18</sup> inter alia concerning interoperability, environmental protection<sup>19</sup>, competition and public procurement.

### 6.2.3. *Other sources of financing*

No Union financial assistance shall be awarded for actions receiving funds from other sources of Union financing, without prejudice of the Article 15(4) of the CEF Regulation.

### 6.2.4. *Type of actions*

A proposal must address either works or studies, within the meaning of Article 2(5) and (6) of the CEF Regulation. Proposals may combine studies and works as long as the respective activities and related budget are clearly defined and separated.

In accordance with Article 2(6) of the CEF Regulation, studies may include pilot activities that shall serve at least one of the following objectives:

- to develop, improve or adapt a new technology or an innovative solution and implement it in order to test its feasibility and suitability as well as its added value before deploying it on a larger scale.
- to deploy an existing technology, infrastructure or service (i.e. already in use elsewhere but new to a particular sector, system or geographical area) in order to gain experience and/or create market conditions for deployment on a larger scale.

The pilot activities of a study may include the deployment of a certain type of infrastructure or technology but on a limited scale and at a reasonable price and with the objective of testing and validating the viability of the innovative actions proposed for future scale up and roll out. Pilot activities of a study shall be of an experimental nature and designed to test the feasibility of an innovative Action and its usefulness for future large scale implementation. They shall not be associated with research activities that are not eligible under this type of action. Use of EGNOS and Galileo services within the navigation and positioning solution is encouraged.

### 6.2.5. *Eligibility of costs*

A grant may be awarded for an action which has already begun provided that the applicant can demonstrate the need for starting the action prior to the signature of the grant agreement.

In accordance with Article 130(1) of the Financial Regulation, costs incurred prior to the date of submission of the grant application shall not be eligible for financing.

Costs incurred as of the date of submission of the grant application and until 31 December 2023 are considered eligible for financing.

No grant may be awarded retroactively for actions already completed.

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<sup>18</sup> According to Article 23 of the CEF Regulation

<sup>19</sup> In particular, but not limited to: the EIA (Directive 2011/92/EU), SEA (Directive 2001/42/EC), Habitats (Directive 92/43/EEC) and Birds Directives (Directive 2009/147/EC) , as well as the Water Framework Directive (Directive 2000/60/EC) (these exact references – number and title - of these legislations should be given)

## **7. SELECTION CRITERIA**

The applicant(s) must have access to solid and adequate funding sources, so as to be able to maintain activities for the period of the project funded and to co-finance the project. The applicant(s) must have the professional skills and qualifications required to complete the proposed Action. Those selection criteria also apply to applicants for programme support actions supported by grants.

The verification of the financial and operational capacity does not apply to applicants which are a Member State, a third country, a public sector body established in a Member State i.e. regional or local authority, a body governed by public law or association formed by one or several such authorities or one or several such bodies governed by public law, in particular a Joint Undertaking in line with eligibility criteria established under Article 187 of the Treaty on the Functioning of the European Union (ex Article 171 TCE), or an international organisation<sup>20</sup>.

### **7.1. Financial capacity**

The applicant(s) must have the financial capacity to complete the Action for which the grant is sought. The applicant will provide their financial statements certified by an external auditor for the last financial year for which the accounts have been closed with the application. In the event that the applicant is a newly created company (and therefore does not have certified financial data available for the last financial year), a business plan must be provided together with a letter of support from another company (parent company for instance) or from another applicant in the same proposal.

### **7.2. Operational capacity**

The applicant(s) must have the operational and technical capacity to complete the project for which the grant is sought and must provide appropriate documents attesting to that capacity (e.g. description of the profile of the persons primarily responsible for managing and implementing the operation, organisations' activity report, and proof of experience in carrying out infrastructure projects of the same kind).

Information submitted by applicants who benefited from TEN-T support as from 2004 may be taken into account in the evaluation of these applicants' operational capacity when clearly indicated by applicants.

## **8. AWARD CRITERIA**

Only proposals compliant with the eligibility and selection criteria shall be evaluated against the award criteria. A decision to grant Union financial assistance shall take into account, inter alia, the following general award criteria:

### **8.1. Relevance**

This refers to the contribution of the proposed Action to the TEN-T priorities as laid out in the TEN-T Guidelines, the funding priorities as laid down in the CEF Regulation and specific priorities and objectives described in the work programme and addressed by the call for proposals.

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<sup>20</sup> According to Article 43(2) of the Rules of Application, international organisations are:  
(a) international public sector organisations set up by intergovernmental agreements, and specialised agencies set up by such organisations;  
(b) the International Committee of the Red Cross (ICRC);  
(c) the International Federation of National Red Cross and Red Crescent Societies;  
(d) other non-profit organisations assimilated to international organisations by a Commission decision.

In addition, the following aspects will be assessed under relevance

- the European added value as defined in point (d) of Article 3 of the TEN-T Guidelines;
- removal of bottlenecks, enhancing rail interoperability, bridging missing links and improving cross-border sections as stipulated in the CEF Regulation;
- the cross-border dimension, when applicable.

## **8.2. Maturity**

This refers to the state of preparation of the proposed Action and the readiness to start the implementation of the proposed activities. This will be determined by the degree of financial readiness and completion of preparatory steps as well as the conditions required for the start of the proposed Action. In particular the maturity of the Action in the project development will be assessed.

## **8.3. Impact**

This refers to the expected effect of the EU financial support on the financial viability of an economically and socially desirable investment. An assessment will be made of the impact of the financing plan to drive the most efficient use of EU financial support. Moreover, on the basis of the socio-economic Cost-Benefit Analysis (CBA) or Cost-Effectiveness Analysis (CEA) to be provided for proposed Actions concerning works and/or other related information provided in the application form, the impact of the proposed Action will be assessed in terms of positive socio-economic effects (at local, regional and national level), climate and environmental aspects, improvement of accessibility, etc., as applicable. In particular, the following aspects will be assessed:

- stimulating effect of the Union support on public and private investment, when applicable;
- the need to overcome financial obstacles, such as the lack of market finance;
- when applicable, the economic, social, climate and environmental impact, and accessibility;

## **8.4. Quality**

This refers to the soundness of the proposed Action. This will be determined by the coherence between the objectives of the proposed Action, the proposed activities, the planned resources, and the appropriateness of the project management processes. Under this criterion, the capacity for the Action to be completed in accordance with the proposed timeline, implementation plans and the technical specifications will be assessed. In particular, the soundness of the implementation plan proposed will be assessed.

Within the scope of the global objectives herewith established, additional non-essential specific criteria may be set out in the text of the call for proposals.

Upper and / or lower thresholds of Union financing may be recommended in the calls for proposals or accompanying documents.

During the final selection process, the Commission shall in particular take into account the following aspects, as appropriate:

- The contribution of the proposed Action to the balanced development of the network,
- The complementarity of the proposed Action with other Union funded projects, in

view of optimising the impact of investments already made in the region/country/global project,

- The comparative Union added value (high, medium, low) of the proposed Action in relation to other proposed Actions, taking into account the respective Cost-Benefit Analysis where appropriate,
- Any identified/identifiable risks of double-funding from other Union sources,
- Potential synergies across the different CEF sectors and/or other Union Programmes, notably Horizon 2020, where particular consideration shall be given to Actions involving the deployment of innovation and technology developed under the Union's research programmes,
- Budgetary constraints.

## **9. MAXIMUM POSSIBLE RATE OF CO-FUNDING FOR GRANTS (EXCLUDING PROGRAMME SUPPORT ACTIONS)**

### **9.1 For the General envelope of the CEF<sup>21</sup>**

The amount of Union financial assistance shall not exceed the following rates:

- (a) with regard to grants for studies, 50% of the eligible costs;
- (b) with regard to grants for works: for actions supporting new technologies and innovation for all modes of transport 20 % of the eligible costs
- (c) with regard to grants for telematic applications systems and services:
  - (i) for land-based components of the SESAR system: 50% of the eligible costs;
  - (ii) for on-board components of the SESAR system: 20% of the eligible costs, up to a combined ceiling of 5% of the budgetary resources referred to in point (a) of Article 5(1) of the CEF Regulation;

The above funding rates may be increased by up to 10 percentage points for actions with synergies between at least two of the sectors covered by the CEF Regulation.

### **9.2 No profit principle**

For projects generating income, the no-profit principle applies, as defined in Article 125(4).

## **10. OTHER ACTIVITIES: MID-TERM REVIEW OF THE CEF TRANSPORT PROJECTS UNDER THE MAP**

In line with the CEF Regulation (Article 12) and the EU Financial Regulation and its Application Rules, sound financial management and the protection of the EU's financial interests are essential principles in managing EU funds. As was the case in the management of the TEN-T 2007 – 2013 Programme, in order to ensure the efficient use of CEF funds the Commission intends to carry out a review of the portfolio of ongoing Actions supported under the CEF Transport Multi-Annual Work Programme at mid-term in 2018.

The Commission in coordination with INEA will carry out the Transport MAP Portfolio review with the objectives of:

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<sup>21</sup> According to Article 10(2) of the CEF Regulation

- Assessing the progress of individual actions and the extent to which these actions are being well implemented, are on-track and able to absorb the EU contribution foreseen in the Grant Agreements;
- Formulating overall conclusions and recommendations on the implementation of the MAP with a view to providing input to policy making.

In order to carry out this review, the Commission and INEA will be assisted by independent, external expert reviewers (Article 204 FR). INEA will contract the experts by means of procurement. In this respect, an amount of EUR 500,000 is earmarked for the contracting of the reviewers in the framework of the MAP portfolio review in 2018."



## **PART II**

### **4.3.3 In the form of procurement:**

#### **Contribution from CEF – Transport to the Corporate Communication Action under the Multiannual Financial Framework 2014-2020 (Commission decision C(2015)7346 of 27.10.2015 concerning 2016 activities and C(2016)6838 of 25.10.2016)**

The general objectives of corporate communication are:

- To listen, engage and exchange with citizens on what the EU stands for, its main challenges, opportunities and how best to face them together.
- To raise public awareness about the Union as a whole, its role, values, political priorities and its work to address current issues 1) in line with the Commission Work Programme; and 2) in line with the general objectives of sector specific regulations under 2014-2020 Multiannual Financial Framework.

The general objectives will be reached through the pursuit of the following specific objectives:

- To achieve a better understanding by European citizens of the Union, its role, priorities, difficulties, policies, funding programmes and legislative activities while strengthening interaction with citizens;
- To inform and engage different target groups of European citizens about the Union's political priorities in their specific socio-economic and political context;
- To focus communication aimed at the relevant stakeholders as well as specialist and non-specialist audiences and increase the coherence, responsiveness and impact of Commission messages and policies.

To achieve the above objectives, the following range of specific actions may be used:

- Production of content, including photos, audio-visual, graphic and written material; provision of other corporate technical services which benefit the institution as a whole such as online services, including the institutional web presence and social media activity;
- Dissemination of information through integrated communication actions including on multi-media platforms;
- Acquisition of media space, including TV and radio air time, outdoor and indoor advertising, web adverts and other online promotion techniques and print media space;
- Organisation of and participation in events, including exhibitions, forums, dialogues and other activities aimed at citizens;
- Studies and evaluations, where relevant.

These activities shall be implemented through Framework Contracts of DG Communication, or where possible, direct awards for low-value contracts.

Indicative amount to be committed in 2017	540,000	Indicative timeframe for the procurement procedure	Q2, Q3 and Q4 of 2017
Period (Years)	2	Comments	To be implemented via co-delegation to DG COMM:
Indicative number of contracts	5		Out of the total amount on 2017 budget, EUR 240 000 to be spent in the <del>Cohesion Member States</del>
Indicative amount to be committed in 2018	EUR 580,000	Indicative timeframe for the procurement procedure	Q2, Q3 and Q4 of 2018
Period (Years)	2	Comments	To be implemented via co-delegation to DG COMM:
Indicative number of contracts	5		Out of the total amount on 2018 budget, EUR 240 000 to be spent in the <del>Cohesion Member States</del> Previous contracts: EUR 750 000 on 2016 appropriations

**PART III**

**ANNEX III: Breakdown of annual instalments version of July 2017**

**The indicative breakdown of annual instalments is the following**

Budget lines		2014-2020 commitments	2014 commitments	2015 commitments	2016 commitments	2017 commitments	2018 commitments	2019 commitments	2020 commitments	TOTAL
06.020101	MAWP (Grants) 2014-2020	7.114.195.877	958.609.301	598.682.336	577.393.466	1.095.891.886	1.305.201.405	1.757.375.948	821.041.536	7.114.195.877
	MAWP (Grants) 2015-2020	167.350.456	0	0	14.398.221	0	34.208.428	49.531.341	69.212.467	167.350.456
	MAWP (Grants) 2016-2020	82.651.500	0	0	0	22.935.649	0	26.991.739	32.724.113	82.651.500
	MAWP (Grants blending) 2017-2020	696.000.000	0	0	0	42.476.300	53.258.021	69.000.000	531.265.679	696.000.000
	PSA	83.941.131	35.550.579	0	1.790.552	29.400.000	12.400.000	2.400.000	2.400.000	83.941.131
	Costs for the experts	1.168.949	0	579.041	89.907	0	500.000	0	0	1.168.949
	AWP (Grants) 2014 pour mémoire	127.686.432	127.686.432	0	0	0	0	0	0	127.686.432
	AWP (Grants) 2016 pour mémoire	152.557.280	0	0	152.557.280	0	0	0	0	152.557.280
<b>Total reserved by the CEF Transport Work Programmes</b>			<b>1.121.846.311</b>	<b>599.261.378</b>	<b>746.229.425</b>	<b>1.190.703.835</b>	<b>1.405.567.853</b>	<b>1.905.299.027</b>	<b>1.456.643.795</b>	<b>8.425.551.624</b>
<b>CEF commitment appropriations (MFF 2014-2020) including the EFSI contribution and transfers between the CEF lines</b>			1.118.525.421	591.973.905	746.075.425	1.193.857.291	1.405.567.853	2.246.324.497	1.712.124.323	9.014.448.715
<b>Internal assigned revenue and additional revenue</b>			4.262.311	7.287.472	154.000	-2.153.456	72.911	0	0	9.623.238
<b>CEF Total commitment appropriations</b>			<b>1.122.787.732</b>	<b>599.261.377</b>	<b>746.229.425</b>	<b>1.191.703.835</b>	<b>1.405.640.764</b>	<b>2.246.324.497</b>	<b>1.712.124.323</b>	<b>9.024.071.953</b>
06.020102	MAWP (Grants) 2014-2020	135.886.461	51.120.003	18.689.857	7.324.057	31.859.772	21.477.214	4.824.004	591.553	135.886.461
	MAWP (Grants) 2015-2020	72.246.190	0	21.255.700	16.397.919	0	23.520.100	6.164.219	4.908.253	72.246.190
	MAWP (Grants) 2016-2020	86.833.856	0	0	0	50.795.650	11.920.479	15.184.857	8.932.870	86.833.856
	MAWP (Grants Blending) 2017-2020	150.000.000	0	0	0	9.316.350	11.626.719	15.000.000	114.056.931	150.000.000
	PSA	11.968.345	1.000.000	5.790.000	2.178.345	3.000.000	0	0	0	11.968.345
	Costs for the experts	391.939	0	56.400	50.439	285.100	0	0	0	391.939
	AWP (Grants) 2014 pour mémoire	17.739.997	17.739.997	0	0	0	0	0	0	17.739.997
	AWP (Grants) 2016 pour mémoire	59.329.042	0	0	59.329.042	0	0	0	0	59.329.042
<b>Total reserved by the CEF Transport Work Programmes</b>			<b>69.860.000</b>	<b>45.791.957</b>	<b>85.279.802</b>	<b>95.256.872</b>	<b>68.544.512</b>	<b>41.173.080</b>	<b>128.489.608</b>	<b>534.395.830</b>
<b>CEF commitment appropriations (MFF 2014-2020) including the EFSI contribution and transfers between the CEF lines</b>			69.864.350	43.000.681	85.279.802	95.159.378	68.544.512	45.843.042	217.386.845	625.078.610
<b>Internal assigned revenue and additional revenue</b>			0	2.791.276	0	97.493	0	0	0	2.888.769
<b>CEF Total commitment appropriations</b>			<b>69.864.350</b>	<b>45.791.957</b>	<b>85.279.802</b>	<b>95.256.871</b>	<b>68.544.512</b>	<b>45.843.042</b>	<b>217.386.845</b>	<b>627.967.379</b>

06.020103	MAWP (Grants) 2014-2020	782.498.447	158.231.888	277.011.554	159.648.379	82.052.718	73.613.718	19.538.358	12.401.832	782.498.447
	MAWP (Grants) 2015-2020	791.059.157	0	0	388.323.520	25.154.345	187.130.643	113.359.527	77.091.123	791.059.157
	MAWP (Grants) 2016-2020	491.630.656	0	0	0	279.929.472	59.559.103	75.537.342	76.604.739	491.630.656
	MAWP (Grants) 2017-2020	300.000.000	0	0	0	49.460.000	50.540.000	100.000.000	100.000.000	300.000.000
	MAWP (Grants Blending) 2017-2020	150.000.000	0	0	0	9.316.350	11.626.719	15.000.000	114.056.931	150.000.000
	PSA	124.686.650	17.416.150	18.700.000	28.050.500	22.490.000	25.130.000	6.550.000	6.350.000	124.686.650
	Costs for the experts	718.327	0	318.639	399.688	0	0	0	0	718.327
	AWP (Grants) 2014 pour mémoire	33.941.962	33.941.962	0	0	0	0	0	0	33.941.962
<b>Total reserved by the CEF Transport Work Programmes</b>			<b>209.590.000</b>	<b>296.030.194</b>	<b>576.422.087</b>	<b>468.402.884</b>	<b>407.600.183</b>	<b>329.985.227</b>	<b>386.504.625</b>	<b>2.674.535.200</b>
<b>CEF commitment appropriations (MFF 2014-2020) including the EFSI contribution and transfers between the CEF lines</b>			209.593.050	223.550.414	532.837.656	418.565.843	406.466.183	329.289.227	385.744.625	2.506.046.998
<b>Internal assigned revenue and additional revenue</b>			0	72.479.779	43.603.431	49.837.041	1.134.000	696.000	760.000	168.510.251
<b>CEF Total commitment appropriations</b>			<b>209.593.050</b>	<b>296.030.193</b>	<b>576.441.087</b>	<b>468.402.884</b>	<b>407.600.183</b>	<b>329.985.227</b>	<b>386.504.625</b>	<b>2.674.557.249</b>
06.020104	MAWP (Grants) 2014-2020	4.249.193.625	967.080.000	3.348.163	818.204.779	707.871.539	640.335.794	629.818.690	482.534.660	4.249.193.625
	MAWP (Grants) 2015-2020	5.212.598.428	0	1.212.165.858	880.226.449	879.607.642	806.602.252	956.278.150	477.718.077	5.212.598.428
	MAWP (Grants) 2016-2020	1.770.377.812	0	0	645.981.684	0	201.948.586	108.293.654	814.153.888	1.770.377.812
	PSA	15.916.970	15.916.970	0	0	0	0	0	0	15.916.970
	Costs for the experts	1.250.000	0	250.757	284.344	714.900	0	0	0	1.250.000
	AWP (Grants) 2016 pour mémoire	27.683.201	0	0	27.683.201	0	0	0	0	27.683.201
<b>Total reserved by the CEF Transport Work Programmes</b>			982.996.970	1.215.764.778	2.372.380.457	1.588.194.081	1.648.886.632	1.694.390.494	1.774.406.625	11.277.020.037
<b>CEF commitment appropriations (MFF 2014-2020)</b>			982.996.970	1.215.582.454	2.372.380.457	1.588.194.081	1.649.386.632	1.694.390.494	1.774.406.625	11.277.337.713
<b>Internal assigned revenue and additional revenue</b>			0	182.324	0	0	0	0	0	182.324
<b>CEF Total commitment appropriations</b>			<b>982.996.970</b>	<b>1.215.764.778</b>	<b>2.372.380.457</b>	<b>1.588.194.081</b>	<b>1.649.386.632</b>	<b>1.694.390.494</b>	<b>1.774.406.625</b>	<b>11.277.520.037</b>
TOTAL UNDER the amended 2014-2020 MAP (GRANTS)		22.252.522.465	2.135.041.192	2.131.153.468	3.507.898.473	3.286.667.671	3.492.569.180	3.961.897.828	3.737.294.653	22.252.522.466
<i>AWP pour mémoire (GRANTS)</i>		418.937.914	179.368.391	0	239.569.523	0	0	0	0	418.937.914
<i>PSA and experts</i>		240.042.311	69.883.699	25.694.837	32.843.775	55.890.000	38.030.000	8.950.000	8.750.000	240.042.311
<b>CEF total commitments appropriations</b>			<b>2.385.242.102</b>	<b>2.156.848.305</b>	<b>3.780.330.771</b>	<b>3.343.557.672</b>	<b>3.531.172.091</b>	<b>4.316.543.260</b>	<b>4.090.422.418</b>	<b>23.604.116.619</b>

**ANNEX IV: Breakdown of the Programme Support Actions covered by the Multi-Annual Work Programme version of July 2017**

Budget line	Form of Programme Support Action	2014 commitments	2015 commitments	2016 commitments	2017 commitments (2)	2018 commitments (2)	2019 commitments (2)	2020 commitments (2)
6.020101	Grants	12,000,000	0	0	28,000,000	1,000,000	1,000,000	1,000,000
	Procurement	27,320,000	0	1,365,000	1,150,000	11,150,000	1,150,000	1,150,000
	Other: Reimbursement of travel and subsistence costs to the European Coordinators	5,894,000	0	0	0	0	0	0
	Other: transfer of appropriations to INEA for the front office tasks of TENTEC			250,000	250,000	250,000	250,000	250,000
	<b>Total</b>	<b>45,214,000</b>	<b>0</b>	<b>1,615,000</b>	<b>29,400,000</b>	<b>12,400,000</b>	<b>2,400,000</b>	<b>2,400,000</b>
	Unused commitments, to be added to the budget of the call (1)	(9,663,421)	0	0	0	0	0	0
<b>Total</b>	<b>35,550,579</b>	<b>0</b>	<b>1,615,000</b>	<b>29,400,000</b>	<b>12,400,000</b>	<b>2,400,000</b>	<b>2,400,000</b>	
6.020102	Grants	0	490,000	2,280,000	3,000,000	0	0	0
	Procurement	1,000,000	5,300,000	500,000	0	0	0	0
	Other expenditures	0		0	0	0	0	0
	<b>Total</b>	<b>1,000,000</b>	<b>5,790,000</b>	<b>2,780,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
	Unused commitments, to be added to the budget of the call (1)	0	0	(500,000)	0	0	0	0
<b>Total</b>	<b>1,000,000</b>	<b>5,790,000</b>	<b>2,280,000</b>	<b>3,000,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	
6.020103	Grants	6,500,000	8,000,000	11,700,000	19,000,000	6,500,000	4,000,000	4,000,000
	Procurement	12,900,000	11,200,000	15,600,500	2,950,000	18,050,000	2,550,000	2,350,000
	Other expenditures: delegation to DG COMM Corporate Communication procurement	0		750,000	540,000	580,000		0
	<b>Total</b>	<b>19,400,000</b>	<b>19,200,000</b>	<b>28,050,500</b>	<b>22,490,000</b>	<b>25,130,000</b>	<b>6,550,000</b>	<b>0</b>
	Unused commitments, to be added to the budget of the call (1)	(1,983,850)	(500,000)	(399,500)	0	0	0	0
<b>Total</b>	<b>17,416,150</b>	<b>18,700,000</b>	<b>28,050,500</b>	<b>22,490,000</b>	<b>25,130,000</b>	<b>6,550,000</b>	<b>6,350,000</b>	
6.020104	Grants	15,916,970	0	500,000	0	0	0	0
	Procurement	0	0	0	0	0	0	0
	Other expenditures	0	0	0	0	0	0	0
	<b>Total</b>	<b>15,916,970</b>	<b>0</b>	<b>500,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
	Unused commitments, to be added to the budget of the call (1)			(500,000)	0	0	0	0
<b>Total</b>	<b>15,916,970</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>GRAND TOTAL</b>		<b>69,883,699</b>	<b>24,490,000</b>	<b>31,945,500</b>	<b>54,890,000</b>	<b>37,530,000</b>	<b>8,950,000</b>	<b>8,750,000</b>

(1) Comment: where shown, the reduction of the appropriations corresponds to several actions, which have been cancelled and which are appropriately reflected in the amendments to the MAP, as well as, in case of procurements, conclusion of contracts for prices which are lower than estimated amounts. All unspent appropriations for PSAs have been used to increase the budgets of the calls for proposals under the MAP 2014-2020.

(2) Additional PSAs are foreseen to be included in the amendments to the WP, including for the Cohesion Members States