

Marco Polo II Programme - Frequently Asked Questions (FAQ)
Version updated in June 2013. Applicable as of Call for proposals 2013

Table of Contents

1. About the programme	7
a) What is the Marco Polo programme?	7
b) What type of projects can be supported by Marco Polo II?	7
c) What is the history of the Marco Polo I and II programmes?.....	7
d) In what aspects does the Marco Polo II programme differ from its predecessor Marco Polo I?	8
e) What are the consequences of the revision of the Marco Polo II Regulation?.....	9
f) Who manages the Marco Polo II programme?	9
g) How to request specific information about the Marco Polo II Programme	9
2. Who can participate?	9
a) May projects carried out by a single commercial undertaking receive support?	9
b) Which countries may participate in the Marco Polo II programme?	10
c) Can undertakings from Candidate Countries participate in the Marco Polo II programme?	10
d) Which close third countries have concluded special agreements with the EU for full participation in the Marco Polo II programme?.....	10
e) Which type of undertaking can participate in a Marco Polo action?	10
f) Can administrations participate in Marco Polo II projects?	11
g) Can associations participate in Marco Polo II projects?	11
h) Can airports participate as partners?	11
i) Which ports are eligible for funding under the Marco Polo action Motorways of the sea?.....	11
3. Funding and eligible costs	11
a) Are national routes eligible?	11
b) Is air transport included?	12
c) Can the EC-subsidy be given in addition to other public funding?.....	12
d) Are infrastructure costs eligible for Marco Polo funding?	12
e) Can profit-making activities be funded under Marco Polo?.....	12



f)	Should a Marco Polo project demonstrate its viability in order to receive funding?	12
g)	Are the non-eligible costs to be taken into account in the overall budget estimations?	12
h)	How are the eligible costs taken into account in the case of a maritime project route ending in a non-eligible third country?	13
i)	How are the eligible costs calculated in the case of a mixed freight-passenger service?	13
4.	Type of projects and calculation of modal shift	13
a)	What are the key guidelines for the different actions?	13
b)	Does the minimum threshold of 60 million tonne-kms for modal shift actions apply to the total duration of the contract?	15
c)	Why are there special conditions for inland waterway projects and for single wagon loads (SWL)?	15
d)	How is calculated the volumetric equivalent?.....	16
e)	Can the weight of the transport unit be included when calculating the modal shift?.....	16
f)	How are the modal shift and environmental/social benefits calculated for waterborne routes between a fully participating and a close third country?	16
g)	Can empty vehicles (or loading units) be eligible for modal shift calculations, e.g. on Ro-Ro vessels?.....	17
h)	Is there any restriction on eligible modal shifts?.....	17
i)	How is the monitoring of the modal shift done? What proof of modal shift figures is to be delivered?	17
j)	When should audit certificate on the freight registration system and the one on the achieved modal shift be submitted?.....	17
k)	How to calculate the profit or loss of an internal re-organisation of a company, which changes its way of transporting goods (from road to another environmentally friendly mode of transport)?.....	18
l)	Can an upgrade of an existing service be eligible for Marco Polo support?	18
5.	Call for proposals	18
a)	When can I submit a proposal?.....	18
b)	How many calls are foreseen under the Marco Polo II programme?	18
c)	What is the indicative timeline of the 2013 Call for proposals?	19



d) Can a applicant apply for more than one project in a given call for proposal?	19
e) Will the call texts be available in all languages?.....	19
f) Can applicants submit additional material to their proposal after the deadline for submission?.....	19
g) Is it possible to combine several projects in one application?	19
h) What are the political priorities of Call 2013?.....	19
i) Avoiding distortion of competition in the maritime sector - additional evaluation procedure.....	20
j) For the selection criterion Financial Capacity of applicants, it is mentioned that "non-consolidated" financial statements will have to be submitted. What does the "non-consolidated" mean?	20
6. Additional Information	21
a) Is it possible to have some feedback on a project idea in advance of a formal call for proposals?.....	21



1. About the programme

- a) What is the Marco Polo programme?
- b) What type of projects can be supported by Marco Polo II?
- c) What is the history of the Marco Polo I and II programmes?
- d) In what aspects does the Marco Polo II programme differ from its predecessor Marco Polo I?
- e) What are the consequences of the revision of the Marco Polo II Regulation?
- f) Who manages the Marco Polo II programme?
- g) How to request specific information about the Marco Polo II Programme

2. Who can participate?

- a) May projects carried out by a single commercial undertaking receive support?
- b) Which countries may participate in the Marco Polo II programme?
- c) Can undertakings from Candidate Countries participate in the Marco Polo II programme?
- d) Which close third countries have concluded special agreements with the EU for full participation in the Marco Polo II programme?
- e) Which type of undertaking can participate in a Marco Polo action?
- f) Can administrations participate in Marco Polo II projects?
- g) Can associations participate in Marco Polo II projects?
- h) Can airports participate as partners?
- i) Which ports are eligible for funding under the Marco Polo action Motorways of the sea?

3. Funding and eligible costs

- a) Are national routes eligible?
- b) Is air transport included?
- c) Can the EC-subsidy be given in addition to other public funding?
- d) Are infrastructure costs eligible for Marco Polo funding?
- e) Can profit-making activities be funded under Marco Polo?
- f) Should a Marco Polo project demonstrate its viability in order to receive funding?
- g) Are the non-eligible costs to be taken into account in the overall budget estimations?



- h) How are the eligible costs taken into account in the case of a maritime project route ending in a non-eligible third country?
- i) How are the eligible costs calculated in the case of a mixed freight-passenger service?

4. Type of projects and calculation of modal shift

- a) What are the key guidelines for the different actions?
- b) Does the minimum threshold of 60 million tonne-kms for modal shift actions apply to the total duration of the contract?
- c) Why are there special conditions for inland waterway projects and for single wagon loads (SWL)?
- d) How is calculated the volumetric equivalent?
- e) Can the weight of the transport unit be included when calculating the modal shift?
- f) How are the modal shift and environmental/social benefits calculated for waterborne routes between a fully participating and a close third country?
- g) Can empty vehicles (or loading units) be eligible for modal shift calculations, e.g. on Ro-Ro vessels?
- h) Is there any restriction on eligible modal shifts?
- i) How is the monitoring of the modal shift done? What proof of modal shift figures is to be delivered?
- j) When should audit certificate on the freight registration system and the one on the achieved modal shift be submitted?
- k) How to calculate the profit or loss of an internal re-organisation of a company, which changes its way of transporting goods (from road to another environmentally friendly mode of transport)?
- l) Can an upgrade of an existing service be eligible for Marco Polo support?

5. Call for proposals

- a) When can I submit a proposal?
- b) How many calls are foreseen under the Marco Polo II programme?
- c) What is the indicative timeline of the 2013 Call for proposals?
- d) Can a applicant apply for more than one project in a given call for proposal?
- e) Will the call texts be available in all languages?
- f) Can applicants submit additional material to their proposal after the deadline for submission?
- g) Is it possible to combine several projects in one application?



- h) What are the political priorities of Call 2013?
- i) Avoiding distortion of competition in the maritime sector - additional evaluation procedure
- j) For the selection criterion Financial Capacity of applicants, it is mentioned that "non-consolidated" financial statements will have to be submitted. What does the "non-consolidated" mean?

6. Additional Information

- a) Is it possible to have some feedback on a project idea in advance of a formal call for proposals?



1. About the programme

a) What is the Marco Polo programme?

Marco Polo is the European Union's funding programme for projects which contribute to shifting freight from the road to sea, rail and inland waterways or to avoiding road freight traffic on international routes. This means fewer trucks on the road and thus less congestion, less pollution, and more reliable and efficient transport of goods. The current, second Marco Polo programme runs from 2007-13 and is a continuation of the first Marco Polo programme, which ran from 2003-2006.

b) What type of projects can be supported by Marco Polo II?

Only projects concerning freight transport services may be supported by the Marco Polo programme. Infrastructure projects, research or study projects are not eligible for support. However, also mixed passenger-freight services and RoRo Ferries services may be proposed, but the support would then only be given to the freight part.

c) What is the history of the Marco Polo I and II programmes?

4 February 2002:	Commission's Proposal for the Marco Polo I programme
22 July 2003:	Adoption of the Marco Polo I programme
2 August 2003:	Publication of the Marco Polo I programme in the Official Journal of the EC (O.J. (2003) L 196/1)
3 August 2003:	Marco Polo I Programme enters into force
14 July 2004:	Commission's Proposal for the Marco Polo II programme
24 October 2006:	Adoption of the Marco Polo II programme
24 November 2006:	Publication of the Marco Polo II programme in the Official Journal of the EC (O.J. (2006) L 328/1)
31 December 2006:	Marco Polo I programme comes to an end
1 January 2007:	Start of the Marco Polo II programme
9 October 2009:	Publication of the revision of the Marco Polo II Regulation (O.J. (2009) L266/1)



- d) In what aspects does the Marco Polo II programme differ from its predecessor Marco Polo I?
- 1) **Wider geographical scope:** Marco Polo II introduces the possibility for all "*close third countries*" to participate fully to the Marco Polo II programme on the basis of supplementary agreements. This means that all commercial undertakings established in third countries having "*a common border with the European Union or with a coastline on a closed or semi-closed sea neighbouring the European Union*" could potentially participate in a project to be granted by Marco Polo II. However, no funding can be given to third countries not fully participating to the Marco Polo II programme and costs incurred on the territory of such third countries are not eligible for funding. Agreements have been concluded between EFTA/EEA countries (Norway, Iceland and Liechtenstein) and they are fully participating in the Marco Polo II programme. Croatia is fully participating in Marco Polo II since the 2009 Call for proposals and as a full member of the EU since 01/07/2013.
 - 2) **New Action Types (Motorways of the sea and Traffic avoidance actions):** In addition to the Modal shift, Catalyst and the Common learning actions, Marco Polo II introduced two new action types: Motorways of the sea action and the Traffic avoidance action.
 - 3) **Modifications in the funding rules of the Modal shift- and the Catalyst action:** For Modal shift actions, one of the funding condition has been changed: the maximum funding increased from 30% to 35% of the eligible costs of the action. For Catalyst actions, the maximum duration of a grant agreement increased from four to five years.
 - 4) **Increased budget:** While Marco Polo I had a budget of € 102 million, Marco Polo II has a budget of € 450 million **Extended duration:** Marco Polo I lasted from 1 January 2003 to 31 December 2006. Marco Polo II has a timeframe of 7 years, from 1 January 2007 to 31 December 2013.
 - 5) **Special attention to sensitive, congested areas and natural resorts:** The Marco Polo II Regulation stipulates that "*special attention should also be paid to sensitive and metropolitan areas within the geographic scope of the Programme when allocating funding*". As a consequence, extra points for the qualitative environmental & external cost savings may be given in the evaluations for proposals addressing this point.
 - 6) **Coordinated projects for Modal shift, Catalyst and Common learning actions are allowed:** Marco Polo II introduces the possibility to coordinate several small projects for a given action type in order to meet the thresholds (for example, the threshold of 60 million tkm on average per year in modal shift actions). This only applies to Catalyst actions, Modal shift actions and Common learning actions. However, mixing different type of actions is not allowed.
 - 7) **Eligible applicants: submission by a single undertaking:** Marco Polo II gives the possibility for a project to have only a single (leading) partner. (see question 2.a below)



- 8) **Volumetric equivalence**: Marco Polo I only considered the concept of tonnes and tkm. Marco Polo II introduced the possibility to use vkm (vehicle-kilometre) for the calculation of the modal shift / traffic avoidance. The definition of vkm is the following: "Movement of a truck, loaded or empty, over a distance of 1 km".

e) **What are the consequences of the revision of the Marco Polo II Regulation?**
On 9 October 2009 Regulation 923/2009 amending the Marco Polo II Regulation (Regulation 1692/2006) was published in the Official Journal. The main aim of this revision is to increase the effectiveness of the Marco Polo II programme. Four kinds of amendments are introduced:

- measures to facilitate participation by small enterprises;
- measures lowering the tonne-kilometre thresholds for eligibility;
- raising funding intensity;
- simplification of the Programmes procedures.

The Regulation can be found on our website (<http://ec.europa.eu/marcopolo>).

f) **Who manages the Marco Polo II programme?**

Originally the Marco Polo I (2003-2006) and II (2007-2013) programmes were managed by DG Energy and Transport of the European Commission. Since 1 March 2008, the Marco Polo programme management task has been transferred officially from DG Energy & Transport to the Executive Agency for Competitiveness and Innovation (EACI).

EACI was established by a Commission decision, inter alia, in order to manage the Marco Polo I and II programmes. The Commission decision setting up the EACI is based on the Council Regulation defining the status of Executive Agencies. This legal framework confers to Executive Agencies their own particular legal statute. Executive Agencies are Community bodies governed by Community law which have the legal personality and enjoy consequently full legal capacity to engage in legal transactions and to manage a Community programme such as Marco Polo, including the implementation of appropriation entered in the Community budget.

g) **How to request specific information about the Marco Polo II Programme**

In order to keep response times short, please always look first at our website [\[http://ec.europa.eu/marcopolo\]](http://ec.europa.eu/marcopolo) before sending a specific request:

Via the Marco Polo Mailbox eaci-marco-polo-helpdesk@ec.europa.eu

Via the Helpdesk Line +32 2 29 50924

2. Who can participate?

a) **May projects carried out by a single commercial undertaking receive support?**

Yes, both single undertakings as well as consortia may receive support. However, there is a minimum requirement of having at least one undertaking from one EU country / fully participating country.



b) Which countries may participate in the Marco Polo II programme?

Firstly, there is a differentiation between “participation” and “being eligible for funding” (the latter also often referred to as “full participation”):

Undertakings from EU Member States, fully participating countries and “*close third countries*”, such as all Candidate States, EFTA Countries as well as others due to their geographical proximity are eligible to participate in Marco Polo projects (definition of “*close third countries*” see call text, appendix 1).

However, only costs and modal shift/traffic avoidance arising on the territories of EU Member States or fully participating countries (i.e. countries which have concluded Special Agreements (e.g. Memorandum of Understanding) with the EU) are eligible for Marco Polo funding (see also question on “*Candidate States*” and “*close third countries*”).

Currently the following countries are fully participating in the Marco Polo programme: Liechtenstein, Iceland and Norway.

c) Can undertakings from Candidate Countries participate in the Marco Polo II programme?

Commercial undertakings from Candidate States, which are scheduled to be joining the EU in the years to come, are welcome to participate in the Marco Polo programme.

According to financial arrangements required for a *full* participation of undertakings from these countries, the conclusion of a Special Agreement between the EC and the respective country is needed. Please check the MARCO POLO website for the latest information. [<http://ec.europa.eu/marcopolo>].

The participation of undertakings from Candidate countries is still possible without such a special agreement. However, project costs arising on the territory of these countries are neither eligible for funding under Marco Polo, nor can the environmental benefits or modal shift/traffic avoidance generated on their territory contribute to the project key figures. Undertakings from third countries not fully participating in the Marco Polo II programme cannot be lead partners of a project; they therefore need to be part of a wider consortium, headed by an undertaking from an EU Member State or a fully participating country.

d) Which close third countries have concluded special agreements with the EU for full participation in the Marco Polo II programme?

Iceland, Liechtenstein and Norway. Costs and modal shift/traffic avoidance arising on the territories of these fully participating countries are eligible for EC financial support under Marco Polo.

e) Which type of undertaking can participate in a Marco Polo action?



The project partners must be established commercial legal entities. They can be privately or publicly owned commercial undertakings. The commercial undertakings involved in a consortium can be linked or subsidiaries.

f) Can administrations participate in Marco Polo II projects?

No, only commercial undertakings are eligible to participate. However, administrations may be up to 100% owners of a participating commercial undertaking.

g) Can associations participate in Marco Polo II projects?

Yes, they can as long as they are a separate commercial legal entity and they have a VAT number or a commercial registration number.

h) Can airports participate as partners?

Yes, they can if the objective of the project is in line with the programme objectives, e.g. moving freight off the road. An airport can for example be an origin or destination in a transport chain. However, the air transport is not eligible in the Marco Polo Programme (see question 3.b).

i) Which ports are eligible for funding under the Marco Polo action Motorways of the sea?

The eligibility criteria for Motorways of the sea actions foresee that only "category A" ports (i.e. ports with a total annual traffic volume of not less than 1.5 million tonnes of freight or 200,000 passengers) may apply for funding. This is in conformity with the revised Marco Polo II Regulation (Article 5): "within the European Union such actions shall be consistent with the features of the Motorways of the Sea priority project defined in the framework of Decision No 1692/96 EC of the European Parliament and of the Council of 23 July 1996 on Community guidelines for the development of the trans-European transport network." Category A ports are defined in Article 12(2) of the said Decision. Please note that this specific eligibility criterion for "category A" port does not apply for other Marco Polo action types.

3. Funding and eligible costs

a) Are national routes eligible?

No, based on the subsidiarity principle, the Marco Polo II Regulation can only support projects with international routes. However, it is sufficient that the modal shift/traffic avoidance takes place on the territory of one country only, as long as it is the territory of an EU Member State or a fully participating country. (On the condition that the complete transport chain of the freight concerned involves the territory of more than one country, one of them being EU or fully participating and that the partners are responsible for the entire (international) transport where funding is requested). Additionally, it is important to note that no circumvention of the eligibility criteria is allowed. For example, by artificially designing the old road



route, suggesting that the freight transport route is international while this is not the case.

b) Is air transport included?

No, air transport is not covered by Marco Polo

c) Can the EC-subsidy be given in addition to other public funding?

The EC-subsidy may be given in addition to other public funding, as long as this does not constitute illegal state aid, and as long as the combined public subsidy does not surpass the maximum subsidy rate of eligible costs. This rate depends of the action type: 35% for Modal shift actions, Catalyst actions, Motorways of the sea actions and Traffic avoidance actions; and 50% for Common Learning actions. However, requesting a Marco Polo grant for eligible costs of an action already funded by another EC scheme is not permitted. Similarly a second EC-subsidy from another EC-scheme concerning eligible costs of an action funded under the Marco Polo Programme is not allowed (no double financing).

d) Are infrastructure costs eligible for Marco Polo funding?

Pure infrastructure projects (fixed or mobile) are not eligible for funding under the Marco Polo programme. However, for all actions with the exception of Common Learning Actions, there is a possibility to include ancillary infrastructure costs as eligible costs, up to a maximum of 20% of the total eligible costs. Ancillary infrastructure is a necessary infrastructure to achieve the goals of the action".

e) Can profit-making activities be funded under Marco Polo?

No. Marco Polo can only support costs (up to the total loss value) that the beneficiaries incurred while setting up and carrying out a service which is loss-making during the time of Marco Polo support. Any cumulative profit achieved during the lifetime of the Grant Agreement resulting from the service has the consequence of reducing or cancelling the subvention accordingly. However, partners should demonstrate the long term viability of their project after the lifetime of the Grant Agreement (for all actions except Common learning action, see question 3.f).

f) Should a Marco Polo project demonstrate its viability in order to receive funding?

Yes, all actions except Common learning actions need to be viable. Generally, after the Marco Polo project period, the project should be financially viable so that it can continue without the Marco Polo subvention. This has to be clearly demonstrated by a detailed business plan in the proposal.

g) Are the non-eligible costs to be taken into account in the overall budget estimations?

Yes, they are. The overall profit/loss balance is assessed on the basis of the overall costs - eligible and non-eligible - in order to conclude on the possible profit or loss of the project.



h) How are the eligible costs taken into account in the case of a maritime project route ending in a non-eligible third country?

The operating costs of the vessel (crew, charter, fuel etc.) are taken into account up until the first port of the non-eligible third country. Costs occurring in the port of the non-eligible third country (stevedoring, mooring, lashing etc.) are not eligible.

i) How are the eligible costs calculated in the case of a mixed freight-passenger service?

In case of a service that is transporting both freight and passengers, all costs related to the passenger service will have to be excluded from the budget. They will not even be considered as non-eligible costs because they are not related to the action (which is the transportation of freight). This applies to:

- **costs which are directly attributable to non-freight transport service** (for example, costs related to commissions paid on passenger bookings);
- **shared costs, which are not directly attributable to one type of transport (freight or non-freight/passengers)**. In this case, only the proportion of operational costs linked to the transportation of freight would be considered as cost of the action. The proportion of operational costs linked to the passenger service will have to be disclosed but then eliminated from the budget. To consider only the freight part of these shared costs, please follow this methodology:
 1. Take the freight revenue
 2. Divide by the total revenue (generated by the freight + non freight activities) to find a ratio
 3. Multiply the ratio by all shared costs to find the freight part of the shared costs. This is the only part of the shared costs that you can consider in your budget.

The costs actually incurred during the action lifetime will have to be certified through a final financial audit, carried out at the end of the action. This audit will also establish the actual ratio of the freight revenues in comparison to total revenues (freight and non-freight/passengers).

4. Type of projects and calculation of modal shift

a) What are the key guidelines for the different actions?

Modal Shift Actions:

- Aid to start-up services
- Robust, but not innovative: - just shift freight off road
- Subsidy of €2 per 500 tkm shifted (can be up to €3 per 500 tkm for some maritime or inland waterway projects - see question 5.h)



- at least 60 million tkm shifted on average per year (13 million tkm for IWW projects and 30 million tkm for single wagon load projects) Subsidy rate up to 35% of eligible costs
- Ancillary infrastructure costs eligible up to 20% of total eligible costs
- Subsidy up to maximum 36 months and minimum 24 months funding period
- No unacceptable distortions of competition
- Viable after subsidy ends

Catalyst Actions:

- Overcome structural market barriers
- Highly innovative: *causing a real break through*
- at least 30 million tkm (or its volumetric equivalent) shifted on average per year per contract
- Subsidy of €2 per 500 tkm shifted (can be up to €3 per 500 tkm for some maritime or inland waterway projects - see question 5.h)
- Subsidy rate up to 35% of eligible costs
- Ancillary infrastructure costs eligible up to 20% of total eligible costs
- Subsidy up to maximum 60 months funding period and minimum 36 months
- Dissemination of results
- No unacceptable distortions of competition
- Viable after subsidy ends

Common Learning Actions:

- Improve knowledge and co-operation in the freight transport and logistic sector.
- Minimum subsidy threshold €250,000
- Subsidy rate up to 50% of total eligible costs
- Based on the achievement of milestones
- Subsidy up to 24 months funding period and minimum 12 months
- No unacceptable distortions of competition
- Dissemination of results

Motorways of the Sea Actions:

- Modal shift by introducing a door-to-door service of short sea shipping in potential combination with other modes of transport. Only projects relating to category A ports as defined in the Decision no 661/2010/EU of the European Parliament and of the Council on Union Guidelines for the development of the trans-European transport network are eligible
- at least 200 million tkm shifted on average per year per contract
- Subsidy of €2 per 500 tkm shifted (can be up to €3 per 500 tkm for some maritime or inland waterway projects - see question 5.h)
- Subsidy rate up to 35% of eligible costs
- Ancillary infrastructure costs eligible up to 20% of total eligible costs
- Subsidy up to maximum 60 months funding period and minimum 36 months



- No unacceptable distortions of competition
- Viable after subsidy ends
- Dissemination of results

Traffic Avoidance Actions:

- Integrating transport into production logistics to avoid a large percentage of freight transport by road without adversely affecting production output or workforce
- At least 80 million tkm or 4 million vkm avoided on average per year per contract. Subsidy of €2 per 500 tkm avoided or per 25 vehicle-kilometres of road traffic avoided
- Subsidy rate up to 35% of eligible costs
- Ancillary infrastructure costs eligible up to 20% of total eligible costs
- Subsidy up to maximum 60 months funding period and minimum 36 months
- No unacceptable distortions of competition
- Not adversely affecting production output or workforce
- Dissemination of results

b) Does the minimum threshold of 60 million tonne-kms for modal shift actions apply to the total duration of the contract?

No, the minimum threshold for modal shift actions refers to **an average** per year. The total modal shift threshold will be calculated over the duration of the contract, e.g. a two-year project will need to shift at least 120 million tkm and a three-year project will need to shift at least 180 million tkm. Please note that it is possible (for Modal shift, Catalyst and Common learning actions only) to coordinate several small transport links under one project to meet the threshold and that there is no yearly rate of implementation (meaning that the modal shift to be achieved can be spread unevenly over the contract period).

c) Why are there special conditions for inland waterway projects and for single wagon loads (SWL)?

Projects that shift goods from the roads to inland waterways have a specific threshold for modal shift projects. The reason for this is that experience with the Marco Polo programme has shown that the inland waterway transport sector had a difficult entry barrier with the high eligibility thresholds. Because of the fragmentation of this sector it is very difficult to put together a proposal which reaches the threshold for modal shift projects over the life of the projects. Therefore the thresholds for these projects were lowered in the revision of the Marco Polo II Regulation, to 13 million tkm per year for modal shift projects.

The Marco Polo work programme introduces a specific political priority and facilitation measures for Single Wagon Load project. SWL is defined as "*less-than-trainload rail traffic not using intermodal loading units*" and for which the shipments in single wagons or groups of wagons are transported in at least 2 different trains or in a single train if the train picks up and sets out wagons during intermediate stops (changes composition).



In view of the emerging problem of decreasing support for SWL traffic in the market, for projects using SWL traffic only, the minimum modal shift threshold for Modal shift actions is lowered to an average of 30 million tkm per year.

d) How is calculated the volumetric equivalent?

As an **alternative for light goods** the volume equivalent "freight tonnes" measured in m³ may be used by the applicant. This means, that 4 cubic metre-kilometres (m³km) shall be equivalent to 1 tonne-kilometre (tkm), and all calculations and key-figures throughout the proposal are to be presented in analogy to the tonne-kilometre case. The choice of basic unit m³km or tkm must be clearly specified by the applicant. However, please note that we cannot accept the use of the volumetric equivalent for empty containers. In this case, it is compulsory to use the tonne-kilometre (tkm) option. The reason being that the volumetric option is only to be used for light goods and cannot be used to artificially increase the modal shift for the transportation of empty containers (without any freight).

e) Can the weight of the transport unit be included when calculating the modal shift?

Yes, since the revision of the Marco Polo II Regulation on 09/10/2009, the weight of the transport unit could potentially be taken into account when calculating the modal shift. The definition of freight is now as follows: *"freight" means, for the purpose of the calculation of "tonne-kilometre" shifted off the road, the goods transported plus the intermodal transport unit plus the road vehicle, including empty intermodal transport units and empty road vehicles, if these are shifted off the road.*

Please note that the weight of the intermodal loading unit or the weight of the road vehicle can only be taken into account in case the intermodal loading unit or the road vehicle is also effectively loaded at the beginning and end of the new modally shifted route. Reference is made to the guidance document "Call 2010 and onwards - new definition of freight" (see "call documents 2013" on the Marco Polo website).

f) How are the modal shift and environmental/social benefits calculated for waterborne routes between a fully participating and a close third country?

If part of the new modally shifted route is a waterborne route between a EU / fully participating country and a close third country, sea routes to third countries may be calculated until the first foreign port (for ex. Italy to Tunisia). This procedure applies to all sea routes to close third countries (e.g. Russia, Morocco or Turkey) and also to inland waterways where the river constitutes the border between a fully participating and a third country, e.g. the Danube between Romania and Serbia. Only the modal shift in the EU part/territory of a fully participating third country can be taken into account for the modal shift calculations and for the calculation of eligible costs.



g) Can empty vehicles (or loading units) be eligible for modal shift calculations, e.g. on Ro-Ro vessels?

Yes. Since the revision of the Marco Polo II Regulation, the definition of freight has been revised and it now includes empty intermodal transport units and empty road vehicles, in case these are effectively shifted off the road and loaded and unloaded at the beginning and end of the new modally shifted route.

h) Is there any restriction on eligible modal shifts?

Yes, only action which produces a modal shift from road to short sea shipping, inland waterway and rail is eligible for Marco Polo support. This means that, for instance shifts between the above non-road modes are not eligible, e.g. modal shift from rail to inland waterway is not eligible for support.

i) How is the monitoring of the modal shift done? What proof of modal shift figures is to be delivered?

As of the Call 2009, project beneficiaries are requested to have or develop a reliable information system (or registration tool) where all the relevant data required for the modal shift calculation is registered. This tool, normally software-based, shall run from the starting date of the action. The tool must be externally audited and certified by an approved auditor. The audit certificate shall be sent to the EACI within three months from the date of entry into force of the grant agreement.

At the end of the action, the auditor certifies that the declared modal shift/traffic avoidance is real and accurately recorded. This certificate is sent together with the action's final report.

However (for projects selected under the MP 2012 and MP 2013 calls only), if the requested total EU contribution foreseen in the Grant Agreement does not exceed € 300,000.00, the reliability of the registration tool can be certified together with the certification on the achieved modal shift. This must be done at the end of the action, together with the final report (please see next FAQ).

Modal shift quantities or transport periods which are not certified by an approved auditor and/or registered by a system which is not duly certified shall not be considered for the calculation of modal shift and respective subsidy.

j) When should audit certificate on the freight registration system and the one on the achieved modal shift be submitted?

Two audit certificates are needed: 1) at the start of the action, the auditor certifies that the beneficiary has put in place an information system/registration tool for the reporting of the achieved modal shift/traffic avoidance. 2) at the end of the action, the auditor certifies that the declared modal shift/traffic avoidance is real and accurately recorded. This certificate is sent together with the action's final report.



However (for projects selected under the MP 2012 and MP 2013 calls only), if the requested total EU contribution foreseen in the Grant Agreement does not exceed € 300,000.00, the reliability of the registration tool can be certified together with the certification on the achieved modal shift. This must be done at the end of the action, together with the final report (please see next FAQ).

Specific guidelines for audit certificates on modal shift/traffic avoidance reporting and declaration are available on the Marco Polo website.

- k) **How to calculate the profit or loss of an internal re-organisation of a company, which changes its way of transporting goods (from road to another environmentally friendly mode of transport)?**

The profit and loss calculations are slightly different from a typical modal shift action. For example, an industrial manufacturer submits a project consisting of a purely internal reorganisation, e.g. shifting internal distribution routes from road to rail. This service would not generate any revenue and would therefore not be able to demonstrate the loss-making nature of the new service introduced. In order to be considered for funding, the proposal should instead include a cost analysis comparing the previous road service to the modally shifted one. Moreover, the proposal should show that during the project lifetime road transport would generate lower costs than the modally shifted route, but that by the end of the contract the latter service would be financially viable.

- l) **Can an upgrade of an existing service be eligible for Marco Polo support?**

Yes. However, the proposal must make clear what the service upgrade consists of (e.g. a higher frequency, other origins/destinations, etc.) and what is its added value. Only the additional modal shift generated by the upgrade and the additional costs of the upgrade can be taken into account, not the modal shift generated by the existing service or the costs of the existing service. The upgrade must have its start-up date in the timeframe mentioned in the Call text.

5. Call for proposals

- a) **When can I submit a proposal?**

Project proposals may only be submitted when a call has been published and while it is open. The call will appear in the EC's Official Journal and on the Marco Polo homepage and will specify all details. Calls are published annually. Note that the content of calls is quite similar each year, but some details may change from year to year. For more up-to-date information, please visit our website [<http://ec.europa.eu/marcpolo>].

- b) **How many calls are foreseen under the Marco Polo II programme?**

It is planned to launch a call for proposals annually at the beginning of each year. The final call is open until 23 August 2013.



c) What is the indicative timeline of the 2013 Call for proposals?

- *(indicative budget about € 66,7 million)*
- Publication of 2013 call for proposals: 26 March 2013
- Closing date for submission of application: 23 August 2013
- Opening session: September 2013:
- Estimated date for Report on Evaluation by Evaluation Committee: November 2013
- Estimated date of notification of applicants and start of contract negotiations: December 2013
- Signature of EC subsidy contracts: 2nd half of 2014

d) Can a applicant apply for more than one project in a given call for proposal?

Yes, but the different projects must be submitted in separate proposals (in separate envelopes) to avoid confusion.

e) Will the call texts be available in all languages?

The publication of the announcement of a Call in the Official Journal of the EC will be published in all the official languages of the EU. The full Call text is only available in English. Since the recent EU enlargements, the availability of translation services is very restricted. Extensive translations would thus cause unacceptable delays for launching a Call.

f) Can applicants submit additional material to their proposal after the deadline for submission?

No. Since it is a competitive evaluation of proposals, such an addition would be unfair to the other applicants. Please therefore do not send us any additional documents after the deadline.

g) Is it possible to combine several projects in one application?

It is not allowed to mix several action types in one application; only submissions of one action type are allowed. However, for Modal shift - Catalyst- and Common learning actions, it is permitted to submit several coordinated projects if they all refer to the same action type. For example, several Modal Shift projects may be included in one Modal Shift action proposal in order to meet the minimum threshold of 60 million tkm of average modal shift per year in the project period.

h) What are the political priorities of Call 2013?

The political priorities defined in the 2013 Call for proposals are:

(1) For SSS-based projects (or maritime components in case of mixed projects) which implement innovative technologies or operational practices which reduce polluting or/and CO2 emissions of maritime transport (conditions detailed in the Call text) - the funding intensity will be raised from €2 to €3/ 500 tkm.



(2) For IWT - based proposals (or IWT components in case of mixed projects) presented with the objective of using services which implement innovative technologies or operational practices which reduce polluting emissions and/or fuel consumption of vessels (conditions detailed in the Call text) - the funding intensity will be raised from €2 to 3€ / 500 tkm.

(3) For Single Wagon Load (SWL) modal shift actions, the minimum modal shift from road to Single Wagon Load traffic only is lowered to an average of 30 million tonne-kilometres, or its volumetric equivalent, per year.

i) Avoiding distortion of competition in the maritime sector - additional evaluation procedure

The unacceptable distortion of competition is a major concern particularly in the maritime sector. Therefore SSS-based projects go through a specific evaluation procedure. A special expert group is appointed to assess the eligibility criterion of "unacceptable distortions of competition" which will be in addition to the normal evaluation procedure. The possible unacceptable distortion of competition is therefore assessed three times for maritime proposals (twice in the external evaluation and then by the internal Evaluation Committee). It is therefore of outmost importance that the competition analysis is done exhaustively and truthfully. Please refer to the guidance note on the Marco Polo website: http://ec.europa.eu/transport/marcopolo/files/calls/docs/2013/2013_guidancenote_distortion_of_competition.pdf

j) For the selection criterion Financial Capacity of applicants, it is mentioned that "non-consolidated" financial statements will have to be submitted. What does the "non-consolidated" mean?

The "non-consolidated" means a financial statement submitted by the individual undertaking (legal entity) applying for MP support and not the group to which it may belong (such as a holding company, or some other parent company). Only the individual financial statement of the legal entity applying as a project partner will be accepted. This means that if a daughter company applies for Marco Polo funding (without the mother company) and the daughter company has a separate legal entity from the mother company, the daughter company will have to submit its own financial statement and not the one of the mother company. Please refer to the guidance note "Assessment of the financial capacity of applicants" on the Marco Polo website:

http://ec.europa.eu/transport/marcopolo/files/calls/docs/2013/2013_financialcapacity.pdf

Evidence of the financial capacity should be provided with last available, audited, non-consolidated annual financial statements of each legal entity requesting the grant. For the entities foreseen to receive more than €300,000 of Marco Polo funding, these financial statements should be validated (signed) by an approved external auditor.



6. Additional Information

a) Is it possible to have some feedback on a project idea in advance of a formal call for proposals?

Yes, the Marco Polo Helpdesk is open all year round to assist potential applicants. It can be reached:

Via the Marco Polo Mailbox eaci-marco-polo-helpdesk@ec.europa.eu

Via the Helpdesk Line +32 2 29 50924

However, in order to efficiently discuss your project idea and to cope with demand, please use the information given at the Marco Polo website before contacting the Helpdesk for detailed discussions or asking for an appointment at our offices. Furthermore, there are a number of events (Marco Polo Info Days and Conferences) which offer you the opportunity to raise your questions and/or set up individual meetings with the Marco Polo team of the EACI to discuss all aspects related to your project.

We can unfortunately not receive potential applicants in our premises during the timeframe of an open call for proposals.

