



EUROPEAN COMMISSION

Brussels,
C(2012) 7252 final

Dear President,

The Commission would like to thank the Camera Deputatilor for its Opinion on the proposal for a Regulation establishing the Connecting Europe Facility {COM(2011) 665 final}, a new EU fund aimed at supporting the development of trans-European networks of infrastructure in the fields of transport, energy and telecommunications, and apologises for the delay in replying.

With regard to the need to ensure the coordination of the Connecting Europe Facility (CEF) with other EU policy initiatives, the Commission is fully aware of the importance of the respective policies' implementation phase, in which it has a role to play.

The Commission remains convinced that the transfer of Cohesion Fund resources under CEF management supports precisely those projects where experience has shown that the Cohesion policy has more difficulty delivering, namely cross-border and other complex projects. At the same time, the Commission would like to remind the Camera Deputatilor that the Cohesion Fund is proposed to provide € 24 billion for transport infrastructure projects, the management of which would be shared by the eligible Member States, in order to ensure that national and regional priorities are also met in developing the TEN-T and other relevant transport infrastructure.

As to the necessity of ensuring equity among Member States with regard to project portfolios within the CEF, the Commission would like to point out that, in implementing the Trans-European networks policy, its task is to ensure the adequate development of these networks in all Member States. The Commission recognises however that a number of Member States would have difficulties in developing a project pipeline of sufficient quality and maturity to be eligible for CEF funding, due to a comparatively lower administrative capacity, preventing them from fully benefitting from the CEF funding.

Consequently, for these countries, the Commission would give particular attention to programming support actions under the Connecting Europe Facility (and possibly the Cohesion Fund) aimed at strengthening institutional capacity and the efficiency of public administrations and public services related to the development and implementation of TEN-T projects. The Commission will seek to ensure, to the greatest extent possible, equality between

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Member States in terms of eligible projects, particularly as concerns the €10 billion to be transferred from the Cohesion Fund.

As to the identification of the transport infrastructure projects to be given funding priority under the CEF, as listed in the Annex to the CEF Regulation, the Commission would like to underscore that the transport infrastructure projects listed along the ten identified corridors have all been identified on the basis of development plans and investment projections provided to the Commission by the Member States, and had formed the object of repeated rounds of consultation with the Member States.

The Camera Deputatilor is of the view that the development of road infrastructure should be given priority. This, however, is not in line with objectives of the Union's Transport policy, as spelt out in the "Roadmap to a Single European Transport Area" (COM(2011)144) that aims to shift 30% of road freight to more sustainable modes by 2030 and more than 50% by 2050. The appropriate infrastructure to allow for this change therefore needs to be developed.

The Commission also understands the Camera Deputatilor's concern with regard to the development of road infrastructure in Romania where, as in many other new Member States, the quality and availability of such infrastructure remains well below the EU average. It is for this reason that the Commission has proposed that, as an exception, road cross-border projects be eligible for funding under the CEF, within the €10 billion envelope transferred from the Cohesion Fund. In addition, Romania would continue to benefit from significant EU funding for projects developing road infrastructure also within the framework of cohesion policy, notably from the Cohesion Fund.

In the field of energy, the Commission would like to signal that in the past projects in Romania benefited substantially from the European Energy Programme for Recovery (EPR) and that it is important that this positive experience could be now drawn on in implementing projects with the support of CEF. The Commission believes that the regulation on trans-European energy infrastructures proposed in parallel to CEF would provide further tools that could serve to assist energy projects in Romania, such as improved prioritisation, accelerated permitting or regulatory solutions to cost allocation.

In the field of telecommunication, it is expected that the deployment of ultra fast broadband would particularly benefit SMEs since adequate connectivity and speed of broadband connections would unlock their potential for substantial productivity gains. Construction of broadband networks would also have an immediate effect on employment in particular in the civil engineering sector. The Commission estimates that €7 billion of CEF funds could leverage up to €100 billion of overall investment in broadband networks.

The Commission is committed to ensuring a geographical balance of projects, without prejudice to the competitive selection of projects. Horizontal measures such as mapping of existing infrastructure and assistance to project promoters should foster high quality projects from across the Union. The detailed funding priorities would be fixed in Annual and Multi-annual Work Programmes, to which each Member State would have the opportunity to contribute.

As far as public procurement under the CEF is concerned, the Commission would like to point out that this would be aligned to the financial rules for the EU budget in the period 2014-2020, on which discussions are currently on-going at EU level. With regard to the differentiated levels of co-funding rates, the Commission would like to underscore that they

were subject to careful assessment by the Commission, based on previous experience and aimed at supporting identified priorities.

As for the powers given to the Commission with regard to the selection of actions to be funded and to amend the list of projects included in the CEF regulation Annex, respectively, the Commission would have a decision-making role in the case of selection of actions to be funded and grant award decisions, while the Members States would have a consultative one. This does not constitute a departure from current practice in the case of centrally managed EU funds, which would also be the case for the CEF. Furthermore, the criteria for selecting the actions to be funded would be laid down in the work programmes which would be implementing acts in the sense of art 291 TFEU.

As regards the power the Commission would have to modify the list of projects included in the Annex, it should be mentioned in the first place that these are projects pre-identified as possible priorities for CEF funding, but the list does not exhaust the list of TEN infrastructure projects eligible for funding. Moreover, in modifying this list, the Commission is bound by the EU Treaty obligation (Article 172nd paragraph) to obtain the prior consent of the Member State(s) concerned by the project(s) of common interest that form the object of the change.

I hope that these clarifications address the observations and suggestions made by the Camera Deputator and I look forward to continuing our dialogue on these important issues.

Yours faithfully,

Maroš Šefcovič
Vice-President