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ANNEX

ANNEX

to the

COMMISSION IMPLEMENTING DECISION
on amending Commission Implementing Decision C(2014)2080 as regards the
implementation in 2018 of the multiannual work programme for granting financial aid
in the field of trans-European energy infrastructure under the Connecting Europe
Facility

ANNEX

1. BASIC ACTS

Regulation (EU) No 1316/2013 of the European Parliament and of the Council of 11 December 2013 establishing the Connecting Europe Facility, amending Regulation (EU) No 913/2010 and repealing Regulations (EC) No 680/2007 and (EC) No 67/2010¹ ,

Regulation (EU) 347/2013 of the European Parliament and of the Council of 17 April 2013 on guidelines for trans-European energy infrastructure and repealing Decision No 1364/2006/EC and amending Regulations (EC) No 713/2009, (EC) No 714/2009 and (EC) No 715/2009²,

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 1605/2002³ and in particular Article 53 thereof,

Commission Delegated Regulation (EU) No 1268/2012⁴ of 29 October 2012 on the rules of application of Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council on the financial rules applicable to the general budget of the Union⁵ and in particular Article 94 thereof,

2. BUDGET

The total amount for the activities launched in 2014, 2015, 2016 and 2017 in terms of indicative commitment schedule (in EUR)⁶ is as follows :

¹ OJ L 348 of 20.12.2013, p.129.

² OJ L 115 of 25.4.2013, p.39

³ OJ L 298 of 26.10.2012, p.1

⁴ OJ L 362 of 31.12.2012, p.1

⁵ OJ L 362 of 31.12.2012, p.1

⁶ The allocation for 2014, 2015 and 2016 include the assigned revenue. The table on amended activities for 2017 already includes the forecast for commitment on the basis of the expected Award Decision following the results of the 2017 CEF Energy Call launched in 2017 (C(2018) 655 of 9.2.2018)

Table 1:

AMENDED
ACTIVITY 2014 :
Commitments schedule

Action	Indicative time	Budget line	2014	2015	2016	2017	2018	2019	2020	Total
GRANTS	Commission Decision C(2014)8580	32 02 01 01	124,373,261	33,420,222	0	2,813,682	3,947,003	33,058,544	9,358,475	206,971,187
		32 02 01 02	122,042,833	26,313,827	0	2,813,682	3,947,003	33,058,544	9,358,475	197,534,365
		32 02 01 03	121,042,833	40,805,448	0	2,813,682	3,947,003	33,058,544	9,358,475	211,025,985
	Total GRANTS	367,458,927	100,539,497	0	8,441,046	11,841,010	99,175,633	28,075,425	615,531,537	
Programme Support Actions (in the form of procurement)	1 contract- call for tenders	32 02 01 01	0	0	0	0	0	0	0	0
		32 02 01 02	0	0	0	0	0	0	0	0
		32 02 01 03	1,000,000	0	0	0	0	0	0	1,000,000
Total PROGRAMME SUPPORT ACTIONS		1,000,000	0	0	0	0	0	0	1,000,000	
Financial Instruments	Commission Decision C(2014)9588	32 02 01 04	40,771,000	0	0	0	0	0	0	40,771,000
		Total FIN. INSTRUMENTS	40,771,000	0	0	0	0	0	0	40,771,000
Total 2014 activities			409,229,927	100,539,497	0	8,441,046	11,841,010	99,175,633	28,075,425	657,302,537

AMENDED

ACTIVITIES 2015

Action	Indicative time	Budget line	2014	2015	2016	2017	2018	2019	2020	Total
GRANTS	Commission Decision C(2015) 5388 and C(2016)	32 02 01 01	0	82,035,307	0	0	722,083	14,772,862	2,586,892	100,117,144
		32 02 01 02	0	89,240,173	0	0	722,083	14,772,862	2,586,892	107,322,010
		32 02 01 03	0	74,749,552	0	0	722,083	14,772,862	2,586,892	92,831,389
	Total GRANTS	0	246,025,032	0	0	2,166,250	44,318,586	7,760,676	300,270,544	
Programme Support Actions (in the form of procurement)	call for tenders- second quarter 2015	32 02 01 01	0	1,299,456	0	0	0	0	0	1,299,456
		32 02 01 02	0	0	0	0	0	0	0	0
		32 02 01 03	0	0	0	0	0	0	0	0
Total PROGRAMME SUPPORT ACTIONS		0	1,299,456	0	0	0	0	0	1,299,456	
Financial Instruments	Commission Decision C(2014)9588	32 02 01 04	0	48,518,000	0	0	0	0	0	48,518,000
		Total FIN. INSTRUMENTS	0	48,518,000	0	0	0	0	0	48,518,000
Total 2015 activities			0	295,842,487	0	0	2,166,250	44,318,586	7,760,676	350,088,000

AMENDED

ACTIVITIES 2016

Action	Indicative time	Budget line	2014	2015	2016	2017	2018	2019	2020	Total
GRANTS	Commission Decision C(2016) 5132, C(2017) 1593 and C(2017)	32 02 01 01	0	0	164,366,002	0	0	52,862,171	28,515,057	245,743,230
		32 02 01 02	0	0	165,343,584	0	0	43,565,007	26,874,167	235,782,758
		32 02 01 03	0	0	165,194,400	0	0	43,565,007	27,023,357	235,782,764
	Total GRANTS	0	0	494,903,986	0	0	139,992,184	82,412,582	717,308,752	
Programme Support Actions (in the form of procurement)	call for tenders- second quarter 2016	32 02 01 01	0	1,227,582	0	0	0	0	0	1,227,582
		32 02 01 02	0	250,000	0	0	0	0	0	250,000
		32 02 01 03	0	400,000	0	0	0	0	0	400,000
Total PROGRAMME SUPPORT ACTIONS		0	0	1,877,582	0	0	0	0	1,877,582	
Financial Instruments	Commission Decision C(2014)9588	32 02 01 04	0	0	0	0	0	0	0	0
		Total FIN. INSTRUMENTS	0	0	0	0	0	0	0	0
Total 2016 activities			0	494,903,986	0	0	139,992,184	82,412,582	719,186,334	

AMENDED

ACTIVITIES 2017

Action	Indicative time	Budget line	2014	2015	2016	2017	2018	2019	2020	Total
GRANTS	Commission Decision expected in February 2018	32 02 01 01	0	0	0	203,482,622	0	0	87,557,964	291,040,586
		32 02 01 02	0	0	0	204,328,127	0	0	86,675,458	291,003,585
		32 02 01 03	0	0	0	203,695,388	0	0	87,308,198	291,003,586
	Total GRANTS	0	0	0	611,506,137	0	0	261,541,620	873,047,757	
Programme Support Actions (in the form of procurement)	call for tenders- second quarter 2017	32 02 01 01	0	0	0	212,623	0	0	0	212,623
		32 02 01 02	0	0	0	300,000	0	0	0	300,000
		32 02 01 03	0	0	0	0	0	0	0	0
Total PROGRAMME SUPPORT ACTIONS		0	0	0	512,623	0	0	0	512,623	
Financial Instruments	Commission Decision C(2014)9588	32 02 01 04	0	0	0	0	0	0	0	0
		Total FIN. INSTRUMENTS	0	0	0	0	0	0	0	0
Total 2017 activities			0	0	0	612,018,760	0	261,541,620	873,560,380	

The total amount for the activities to be launched in 2018 in terms of indicative commitment schedule is as follows (in EUR)⁷:

Table 2 refers to the four budget lines:

32 02 01 01 Further integration of the internal energy market and the interoperability of electricity and gas networks across borders

32 02 01 02 Enhancing Union security of energy supply

32 02 01 03 Contributing to sustainable development and protection of the environment

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The allocation for 2015 includes EUR 950 984 corresponding to assigned revenue. The allocation for 2016 includes EUR 75 750 corresponding to assigned revenue; the allocation for 2017 include similarly EUR 5 165 861 corresponding to assigned revenue. This amount may be increased to include further appropriations corresponding to assigned revenue, if they are available at the time when the financing decision is adopted

32 02 01 04 Creating an environment more conducive to private investment for energy projects

Table 2:

NEW ACTIVITIES
2018

Action	Indicative time	Budget line	2014	2015	2016	2017	2018	2019	2020	Total
GRANTS	2 calls for proposals, March and June 2018	32 02 01 01	-	-	-	-	218,378,180	-	81,621,820	300,000,000
		32 02 01 02	-	-	-	-	221,370,914	-	78,629,086	300,000,000
		32 02 01 03	-	-	-	-	221,369,982	-	78,630,018	300,000,000
		Total GRANTS	-	-	-	-	661,119,076	-	238,880,924	900,000,000
Programme Support Actions										
Procurement	call for tenders-second quarter 2018	32 02 01 01					355,000			355,000
		32 02 01 02					-			
		32 02 01 03					-			
Grants		32 02 01 01					3,000,000			3,000,000
		32 02 01 02								
		32 02 01 03								
		Total PROGRAMME SUPPORT ACTIONS	-	-	-	-	3,355,000	-	-	3,355,000
Financial Instruments		32 02 01 04								
		Total FIN. INSTRUMENTS	-	-	-	-	-	-	-	-
		Total RESERVED					664,474,076	-	238,880,924	903,355,000

The total commitment appropriations for all activities covered by this Multiannual Work Programme (activities 2014, 2015, 2016, 2017 and 2018) are as follows:

Table 3:

TOTAL: All activities covered by MAP 2014-2020

Action	Indicative time	Budget line	2014	2015	2016	2017	2018	2019	2020	Total
GRANTS	2014-2020	32 02 01 01	124,373,261	115,455,528	164,366,002	206,296,304	223,047,267	100,693,577	209,640,209	1,143,872,147
		32 02 01 02	122,042,833	115,554,000	165,343,584	207,141,809	226,040,001	91,396,413	204,124,078	1,131,642,718
		32 02 01 03	121,042,833	115,555,000	165,194,400	206,509,070	226,039,068	91,396,413	204,906,940	1,130,643,725
		Total GRANTS	367,458,927	346,564,528	494,903,986	619,947,183	675,126,336	283,486,403	618,671,227	3,406,158,590
Programme Support Actions	2014-2020	32 02 01 01		1,299,456	1,227,582	212,623	3,355,000	150,000	150,000	6,394,661
		32 02 01 02		0	250,000	300,000				850,000
		32 02 01 03	1,000,000	0	400,000	0				1,400,000
		Total PROGRAMME SUPPORT ACTIONS	1,000,000	1,299,456	1,877,582	512,623	3,355,000	150,000	150,000	8,344,661
Financial Instruments	2014	32 02 01 04	40,771,000	48,518,000						89,289,000
		Total FIN. INSTRUMENTS	40,771,000	48,518,000						89,289,000
		Total RESERVED	409,229,927	396,381,984	496,781,568	620,459,806	678,481,336	283,636,403	618,821,227	3,503,792,251

3. OBJECTIVES

This multiannual work programme aims to enable projects of common interest to be prepared and implemented within the framework of the trans-European networks policy in the energy sector. In particular, this multiannual work programme shall contribute to supporting energy infrastructure projects of common interest that have significant societal benefits and that ensure greater solidarity among Member States, but which do not receive adequate financing from the market. Special focus shall be placed on the efficient use of public investment. In line with Article 7(3) of the Regulation EU (No) 1316/2013 this multiannual work programme shall also contribute to programme support actions which contribute to the implementation of the TEN-E policy.

In 2018 this work programme may also contribute to activities of Transmission System Operators (TSOs) promoting Project of Common Interest which are essential for their system to operate safely, securely (including cybersecurity) and efficiently. This may include digital solutions for the grid planning and implementation.

4. FORMS OF FINANCIAL ASSISTANCE, INDICATIVE AMOUNTS AVAILABLE AND TIMETABLE

This multiannual work programme shall provide financial assistance for the implementation of projects of common interest in the form of:

- grants for studies, works and programme support actions, as well as
- procurement for programme support actions

The Commission plans the following activities under programme support actions as defined in Article 2(7) of Regulation (EU) No 1316/2013:

- Procurement activities to support the TEN-TEC front office (which allows interactions with beneficiaries and applicants in the CEF-E grant management) and procurement activities to support the back-office activities for the Transparency Platform. Calls for tenders and specific contracts under a framework contract may be used for programme support actions.
- Programme Support Action (PSA) related to increasing cybersecurity, optimising operation and grid digitalisation for PCIs in the context of the integrated electricity transmission grids.

The objective of this PSA is to assist the European Network of Transmission System Operators for Electricity⁸ (ENTSO-E) in designing and deployment (in cooperation with TSOs) of an advanced information and communication technologies architecture required for the exchanges of sensitive data between network operators. In particular the new architecture shall allow for optimisation of the use of the networks interconnecting the TSOs to facilitate cross-border electricity trading, the coordination of planned outages of lines or equipment and preparation of coordinated remedial actions should incidents happen, including the form of a cyberattack.

Under this Programme Support Action ENTSO-E would, in the course of 2018 and 2019, support design work, testing, studying, software and processes development and piloting new technological solutions beyond their core IT investments. In subsequent years ENTSO-E together with TSOs across the EU would ultimately deploy the pilots tested under this PSA.

The legal basis for this PSA is point (a) of Article 5(2) and Article 7(3) of Regulation (EU) No 1316/2013.

Given that it requires a particular type of body on account of its technical competence and administrative power, this PSA shall be implemented through a grant awarded without a call for proposals to the European Network of Transmission System Operators for Electricity on the basis of point (f) of Article 190(1) of Regulation (EU, Euratom) No 1268/2012. Union financial aid shall be in the form of a grant of up to 100% of the eligible direct cost (indirect costs shall not be eligible).

This multiannual work programme shall also cover the costs of external experts evaluating the received proposals submitted pursuant to calls for proposals under this multiannual work programme (Article 204 of Regulation (EU, Euratom) No 966/2912 ('the Financial Regulation')) for a maximum amount indicated in Table 4.

⁸ ENTSO-E was established and given legal mandate in Regulation 714/2009 on conditions for access to the network for cross-border exchanges in electricity

Table 4: Activities to be covered in 2018 (grants and procurement activities)

Forms of assistance	Indicative timetable	Indicative amounts (up to EUR)
Grants	2 calls for proposals ⁹ (March and June)	900,000,000
Programme Support Actions in the form of grants	Invitation to submit a proposal – Q2 2018	3,000,000
Programme Support Actions in the form of procurement:		150,000
<ul style="list-style-type: none"> • TEN-TEC • Transparency Platform 	1 contract	55,000
	1 contract	150,000
Experts evaluating proposals	expert contracts	150,000
TOTAL		903,355,000

Activities launched in 2017

Forms of assistance	Indicative timetable	Indicative amounts (up to EUR)
Grants	1 call for proposals: award Decision (expected February 2018) ¹⁰	873,047,757
Programme Support Actions in the form of procurement	Calls for tenders – Q2 2017 2 contracts	449,623
Experts evaluating proposals	expert contracts	63,000
TOTAL		873,560,380

Activities launched in 2016

⁹ One of the calls may be coordinated with the calls from other CEF sectors

¹⁰ Following positive opinion of the CEF Committee on 25.01.2018

Forms of assistance	Indicative timetable	Indicative amounts (up to EUR)
Grants	2 calls for proposals: - Award Decision C(2016) 5132 - Award Decision C(2017) 1593 Synergy call for proposals: -Award Decision C(2017) 2612	717,308,752
Programme Support Actions in the form of procurement	Calls for tenders – Q2 2016	1,792,999
Experts evaluating proposals	4 contracts expert contracts	84,583
TOTAL		719,186,334

Activities launched in 2015

Forms of assistance	Timetable	Amounts (up to EUR)
Grants	2 calls for proposals - Award Decision (C(2015) 5388) - Award Decision C(2016) 728	300,270,544
Programme Support Actions in the form of procurement	Calls for tenders – Q2 2015	1,200,984
Experts evaluating proposals	2 contracts expert contracts	98,472
Financial instruments	Work Programme 2015 C(2015)8847	48,518,000
TOTAL		350,088,000

Activities launched in 2014

Forms of assistance	Timetable	Amounts (EUR)
Grants	Call for proposals: Award Decision C(2014)8580	615,531,537
Programme Support Actions in the form of procurement	Call for tenders – Q1 2015 1 contract	1,000,000
Financial instruments	Launch of CEF Debt Instrument C(2014)9588	40,771,000
TOTAL		657,302,537

5. RESULTS EXPECTED FROM THE FINANCIAL ASSISTANCE

It is expected that the financial assistance (grants and programme support actions) contributes to further the development and the implementation of projects of common interest in electricity (including smart grids), gas and cross-border carbon dioxide network, helping to achieve the broader energy policy objectives of:

- increasing competitiveness by promoting the further integration of the internal energy market and the interoperability of electricity and gas networks across borders;
- enhancing Union security of energy supply, and
- contributing to sustainable development and protection of the environment, inter alia by the integration of energy from renewable sources into the transmission network, and by the development of smart energy networks and carbon dioxide networks.

In accordance with recital 57 of Regulation (EU) No 1316/2013, this multiannual work programme aims at directing the major part of the financial assistance to electricity projects, subject to market uptake, the quality and maturity of actions proposed and their financing requirements, while fully recognising the importance of the gas projects on the PCI list.

Furthermore, in accordance with recital 8 of Regulation (EU) No 1316/2013, this multiannual work programme aims at financing actions contributing to the Union's mid-term and long-term objectives in terms of decarbonisation.

6. GRANTS

6.1. Eligible applicants

Pursuant to Article 9 of Regulation (EU) No 1316/2013:

- proposals shall be submitted by one or more Member States or, with the agreement of the Member States concerned, by international organisations, joint undertakings, or public or private undertakings or bodies 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

undertake legal obligations on their behalf and offer guarantee for the protection of the Union's financial interests equivalent to that offered by legal persons;

- proposals submitted by natural persons shall not be eligible;
- where necessary to achieve the objectives of a given project of common interest and where duly motivated, third countries and entities established in third countries may participate in actions contributing to the projects of common interest. They may not receive funding under this Regulation¹¹, except where it is indispensable to achieve the objectives of a given project of common interest;
- in the calls for proposals the Commission will draw the applicants' attention to Articles 106 to 108 (exclusion criteria) and Article 131 (applications for grants) of the Financial Regulation, as well as to Article 141 of Regulation (EU, Euratom) No 1268/2012.

6.2. Eligible actions

6.2.1. Projects of common interest

In line with Article 7 of Regulation (EU) No 1316/2013, only actions contributing to projects of common interest as identified in the most recent Commission Delegated Regulation amending Regulation (EU) No 347/2013 shall be eligible for support through Union financial aid in the form of grants.

Pursuant to Article 14(1) of Regulation (EU) No 347/2013, projects of common interest falling under the categories set out in Annex II.1, 2 and 4 of that Regulation are eligible for Union financial assistance in the form of grants for studies (and financial instruments).

Pursuant to Article 14(2) and (3) of Regulation (EU) No 347/2013, projects of common interest falling under the categories set out in Annex II.1(a) to (d) and Annex II.2 of Regulation (EU) No 347/2013, except for hydro-pumped electricity storage projects, are also eligible for Union financial assistance in the form of grants for works if they fulfil all of the following criteria:

- the project specific cost-benefit analysis pursuant to Article 12(3)(a) of Regulation (EU) No 347/2013 provides evidence concerning the existence of significant positive externalities, such as security of supply, solidarity or innovation;
- the project has received a cross-border cost allocation decision pursuant to Article 12 of Regulation (EU) No 347/2013; or, for projects of common interest falling under the category set out in Annex II.1(c) and that therefore do not receive a cross-border cost allocation decision, the project shall aim to provide services across borders, bring technological innovation and ensure the safety of cross-border grid operation;
- the project is commercially not viable according to the business plan and other assessments carried out, notably by possible investors or creditors or the national regulatory authority. The decision on incentives and its justification referred to in Article 13(2) of Regulation (EU) No 347/2013 shall be taken into account when assessing the project's commercial viability.

¹¹ The eligibility criteria formulated in Commission notice Nr. 2013/C 205/05 (OJEU C 205 of 19.07.2013, pp.9-11) shall apply for all actions under this work programme, including with respect to third parties receiving financial support in the cases where the respective action involves financial support to third parties by grant beneficiaries in accordance with Article 137 of the Financial Regulation.

Pursuant to Article 14(4) of (EU) No 347/2013, projects of common interest falling under the categories set out in Annex II.1(e) (smart grids) and in Annex II.4 (carbon dioxide network) of Regulation (EU) No 347/2013 are also eligible for Union financial assistance in the form of grants for works, if the concerned project promoters can clearly demonstrate the significant positive externalities generated by the projects and their lack of commercial viability, according to the business plan and other assessments carried out, notably by possible investors or creditors or, where applicable, a national regulatory authority.

6.2.2. Other sources of financing

Pursuant to Article 129 of the Financial Regulation, no Union financial aid shall be awarded to actions receiving funds from other sources of EU financing. In no circumstances shall the same costs be financed twice by the Union budget.

In accordance with Article 125 of the Financial Regulation, grants shall not have the purpose or effect of producing a profit within the framework of the action. Where a profit is made, the Commission shall be entitled to recover the percentage of the profit corresponding to the Union contribution to the eligible costs actually incurred by the beneficiary to carry out the action.

6.3. Eligible costs

Costs shall be eligible from the date on which an application for financial aid is lodged.

Pursuant to Article 130 of the Financial Regulation, no grants may be awarded retrospectively for actions already completed.

6.4. Selection criteria for grants

6.4.1. Financial capacity

The applicants must have stable and sufficient sources of funding to maintain their activity throughout the period during which the action is being carried out and to participate in its funding. The applicants shall provide their annual accounts for the last two financial years for which the accounts were closed or a letter of support in case the applicant has been operating for less than one financial year. These documents must be attached to the application for aid.

The need to demonstrate the financial capacity does not apply to Member States, third countries, international organisations, public bodies established in the EU and transmission system operators certified following the procedures laid down in Articles 10 or 11 of Directive 2009/72/EC¹² or Articles 10 or 11 of Directive 2009/73/EC¹³ and joint undertakings established in the Union which qualify as public bodies.

6.4.2. Operational capacity

The applicants must have the operational and technical competencies and capacities required to complete the proposed action for which the grant is awarded and must provide appropriate documents attesting to that capacity (e.g. organisations' activity report, proof of the experience in carrying out infrastructure actions).

The need to demonstrate the operational capacity does not apply to Member States, third countries, international organisations, public bodies established in the EU and transmission system operators certified following the procedures laid down in Articles 10 or 11 of Directive 2009/72/EC or Articles 10 or 11 of Directive 2009/73/EC and joint undertakings established in the Union which qualify as public bodies.

¹² OJ L 211 of 14.8.2009, p.55

¹³ OJ L 201 of 1.8.2009, p.94

The waiver of the verification of the operational capacity is allowed pursuant to a choice of the authorising officer.

6.5. Award criteria for grants

The proposals will be evaluated against the following award criteria taking into account the list of general orientation as stipulated in Article 17(5) and in Part V of the Annex of Regulation (EU) No 1316/2013:

- (1) Maturity of the action with regard to the developmental stage of the project, based on the implementation plan (Article 5(1) of Regulation (EU) No 347/2013)
- (2) Cross-border dimension of the action, area of impact and number of Member States involved in the action
- (3) Extent of the positive externality provided by the action involving works, impact of the action on solidarity
- (4) Need to overcome financial obstacles
- (5) Soundness of the implementation plan proposed for the action
- (6) Stimulating effect of the CEF financial assistance on the completion of the action
- (7) Priority and urgency of the action, will the project remove bottlenecks, end energy isolation and contribute to the implementation of the internal energy market.

In the evaluation process, consideration will be given to the implementation of the Third Energy Package rules (Directive 2009/72/EC; Directive 2009/73/EC; Regulation 714/2009; Regulation 715/2009) for the Member States involved, and as relevant to the completion of the action.

6.6. Co-financing rate for grants

The maximum co-financing rates laid down in Article 10(3) of Regulation (EU) No 1316/2013 are applicable.

7. FINANCIAL INSTRUMENTS

In 2018, there are no commitment appropriations for financial instruments (budget line 32 02 01 04).

8. COMPLIANCE WITH UNION LAW

In accordance with Article 23 of Regulation (EU) No 1316/2013, only actions in conformity with Union law and which are in line with the relevant Union policies shall be financed, in particular those relating to competition, the protection of the environment, public procurement, permit granting and public participation as required by the relevant provisions of Regulation (EU) No 347/2013.