CALL FOR PROPOSALS CONCERNING PROJECTS OF COMMON INTEREST UNDER THE CONNECTING EUROPE FACILITY IN THE FIELD OF TRANS-EUROPEAN TRANSPORT NETWORK

MULTI-ANNUAL WORK PROGRAMME 2014-2020
CEF TRANSPORT 2017 BLENDING CALL – GENERAL ENVELOPE

Core Network Corridors
Other Sections of the Core Network
Rail Interoperability
European Rail Traffic Management System (ERTMS)
Innovation and new technologies
Safe and Secure Infrastructure
Single European Sky (SESAR)
Intelligent Transport Services for road (ITS)
Motorways of the Sea (MoS)
Nodes of the Core Network including Urban Nodes
Multimodal logistics platforms

1. SUBJECT
In the context of the Connecting Europe Facility (CEF)¹ and on the basis of the Multi-Annual Work Programme², a call for proposals is launched under the CEF Transport Sector (general

² Commission Implementing Decision C(2017) 164 final of 20 January 2017 amending Commission
envelope) allowing for the combination of grants with financing from the European Fund for Strategic Investments, or the European Investment Bank, or National Promotional Banks, or private sector investors, in order to maximise the leverage of private sector involvement and capital in the delivery of Actions, while respecting the principle of non-cumulative award.

According to the CEF Regulation, Article 2 (8), an Action means any activity which has been identified as financially and technically independent, has a set timeframe and is necessary for the implementation of a project of common interest.

2. **Priorities**

This call for proposals addresses a number of priorities, as described in sections 3.1 to 3.3 of the multi-annual Work Programme, falling within one of the Funding Objectives of the CEF Regulation described above:

*Funding Objective 1 - bridging missing links, removing bottlenecks, enhancing rail interoperability, and, in particular, improving cross-border sections:*  
- Pre-identified projects on the Core Network Corridors (railways, inland waterways, roads, maritime and inland ports);
- Pre-identified projects on the other sections of the Core Network (railways, inland waterways, roads, maritime and inland ports);
- Rail interoperability;

*Funding Objective 2 - 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:*  
- Innovation and new technologies in all transport modes;
- Safe and Secure infrastructure, including safe and secure parking on the road core network.

*Funding Objective 3 - 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;
- Intelligent Transport Services for road (ITS);
- Motorways of the Sea (MoS);
- Actions implementing transport infrastructure in nodes of the Core Network, including urban nodes;

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3 Project promoters may seek financing also for activities beyond the scope of the "Action"
• Connection to and development of multimodal logistics platforms.

Type of Actions
A proposal submitted under this call must address works only, within the meaning of Article 2(5) of the CEF Regulation.

The type(s) of Actions to be funded are further specified in the description of each specific priority and sub-priority in sections 3.1 to 3.3 of the Multi-Annual Work Programme.

Cross-cutting priorities
Where applicable as part of a broader project of common interest, proposed Actions may include activities for the adaptation of TEN-T infrastructure to ensure the continuity of bicycle infrastructure for long-distance cycling paths such as the EuroVelo routes. These activities may include relevant adaptation of traffic signaling systems or the addition of infrastructure dedicated to cyclists and pedestrians, such as tunnels, bypasses, bridges, aerial cycling and walkways and protected cycling paths. They may cover activities extending along TEN-T routes or at crossings between TEN-T routes and long-distance cycling paths.

In combination with other works activities, in particular for railway stations and transport chains, e.g. accessible multi-modal terminals, the scope of the proposed Actions may include activities for improved accessibility to transport infrastructure for persons with disabilities and persons with reduced mobility according to Article 10 (2)(b)(v) of the CEF Regulation.

Increasing the opportunities for private investment to support TEN-T Actions is an overarching objective of the CEF Transport programme.

3. RESULTS EXPECTED FROM THE FINANCIAL ASSISTANCE
The results expected under this call are defined in section 5 of the Multi-Annual Work Programme.

Granting of financial assistance to these Actions should help to reach important milestones marking the way towards the completion of the trans-European transport network, as defined in the TEN-T Guidelines. EU funding should help to mobilise as much public and private financing as needed to meet the challenging timetables.

4. INDICATIVE BUDGET
The indicative amount to be allocated on the basis of this call for proposals to projects of common interest in the specified areas is € 1 billion, broken down as follows:

Funding Objective 1: €700 million
• €450,000,000 for pre-identified projects on the Core Network Corridors (railways, inland waterways, roads, maritime and inland ports);
• €100,000,000 for pre-identified projects on the other sections of the Core Network (railways, inland waterways, roads, maritime and inland ports);

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· €50,000,000 for Rail interoperability;
· €100,000,000 for European Rail Traffic Management Systems (ERTMS);

**Funding Objective 2: €150 million**
· €140,000,000 for Innovation and new technologies in all transport modes;
· €10,000,000 for Safe and secure infrastructure, including safe and secure parking on the Core Network;

**Funding Objective 3: €150 million**
· €40,000,000 for Single European Sky – SESAR;
· €40,000,000 for Intelligent Transport Services for road (ITS);
· €40,000,000 for Motorways of the Sea (MoS);
· €10,000,000 for Actions implementing transport infrastructure in nodes of the Core Network, including urban nodes.
· €20,000,000 for Connections to and development of multimodal logistics platforms.

Budget transfers among priorities within the same funding objective under the multi-annual Work Programme are permitted.

5. **TIMETABLE**

<table>
<thead>
<tr>
<th>Date of publication of call for proposals</th>
<th>8 February 2017</th>
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<tbody>
<tr>
<td><strong>First cut-off date</strong></td>
<td></td>
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<tr>
<td><strong>Submission of proposals by 14 July 2017 (17:00:00 Brussels time)</strong></td>
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<tr>
<td>Cut-off date for the submission of translations (if applicable)</td>
<td>22 July 2017</td>
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<tr>
<td>Evaluation of proposals</td>
<td>July – November 2017 (indicative)</td>
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<tr>
<td>Consultation of CEF Coordination Committee; information of European Parliament</td>
<td>December 2017 (indicative)</td>
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<tr>
<td>Adoption of Selection Decision</td>
<td>January 2018 (indicative)</td>
</tr>
<tr>
<td>Preparation and signature of individual grant agreements – 1st cut-off date</td>
<td>As of January 2018 (indicative)</td>
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The applicants’ attention is drawn to the fact that due to its complexity and the time needed to comply with specific procedures of the call, the indicative timetable might exceptionally not be met. Consequently, at INEA’s initiative in accordance with Article 128 (2) of the Financial Regulation (Regulation (EU, Euratom) No 966/2012 as amended), the time to inform the applicants on the outcome of the evaluation may exceed six months and the time to grant may exceed nine months.
Second cut-off date
Submission of proposals by 30 November 2017 (17:00:00 Brussels time)

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<tr>
<th>Event</th>
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<tbody>
<tr>
<td>Cut-off date for the submission of translations (if applicable)</td>
<td>07 December 2017</td>
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<tr>
<td>Evaluation of proposals</td>
<td>December 2017 – March 2018</td>
</tr>
<tr>
<td>Consultation of CEF Coordination Committee; information of European Parliament</td>
<td>April 2018 (indicative)</td>
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<tr>
<td>Adoption of Selection Decision</td>
<td>May 2018 (indicative)</td>
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<tr>
<td>Preparation and signature of individual grant agreements</td>
<td>As of May 2018 (indicative)</td>
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6. ADMISSIBILITY REQUIREMENTS

A proposal **will not be evaluated** if at least one of the following situations occurs:

- It is not submitted electronically in the TENtec Information System eSubmission module. In this respect, proposals or part(s) of proposals submitted by email or in hard copy shall not be admissible.
- It is not submitted by the cut-off date for the submission of proposals *(see sections 5. 'timetable' and 14.2. 'Submission of proposals').*
- The proposal is incomplete, i.e. any part of the application form (A, B, C, D and E) is missing.
- The proposal is not duly signed by the applicant(s). Advanced electronic signatures based on a qualified certificate as defined by Regulation 910/2014 on electronic identification and trust services for electronic transactions in the internal market (eIDAS Regulation) and which comply with the signature formats specified in Commission Implementing Decision 2015/1506 shall be accepted.

7. ELIGIBILITY CRITERIA

7.1 Eligible applicants

General eligibility criteria

Pursuant to Article 9 of the CEF Regulation, only those proposals submitted by one of the following types of applicants are eligible:

- One or more Member States;
- With the agreement of the Member State(s) concerned, international organisations, joint undertakings, or public or private undertakings or bodies established in an EU Member State.

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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.

For proposals submitted under the priority "Motorways of the Sea" (section 3.3.3 of the Work Programme), proposals must include applicants from (and be supported by) a minimum of two different Member States.

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 countries or entities established in neighbouring countries, with the agreement of a Member State concerned. The Member State concerned is the one on the territory of which the physical intervention (works) is planned to take place.

Actions involving a cross-border section or a part of such a section shall be eligible to receive EU financial assistance only if there is a written agreement between the Member States concerned by the Action or between the Member State(s) and neighbouring country(ies) concerned by the Action relating to the completion of the cross-border section.

For multi-applicant proposals, a coordinating applicant must be designated.

Any applicant that cannot provide the agreement of the Member State(s) concerned will not be eligible.

Applicants may designate affiliated entities within the meaning of Article 122(2)(b) of the Financial Regulation, for the purpose of supporting the implementation of the Action submitted for funding. Such affiliated entities must comply with the eligibility criteria for applicants as specified in Section 7.1 of the Multi-Annual Work Programme. They should be indicated in Application Form A2.4 and should sign the declaration on honour in Annex B-II to the Application Form B.

Exclusion criteria

In line with Article 106 of the Financial Regulation and Article 141 of the Rules of Application, an applicant will be excluded from participating in the call for proposals procedure if it is in any of the following situations:

a) it is bankrupt, subject to insolvency or winding up procedures, its assets are being administered by a liquidator or by a court, it is in an arrangement with creditors, its business activities are suspended or it is in any analogous situation arising from a similar procedure provided for under national legislation or regulations;

b) it has been established by a final judgement or a final administrative decision that it is in breach of its obligations relating to the payment of taxes or social security contributions in accordance with the law of the country in which it is established, with those of the country in which the authorising officer is located or those of the country

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of the performance of the contract;

c) it has been established by a final judgement or a final administrative decision that it is guilty of grave professional misconduct by having violated applicable laws or regulations or ethical standards of the profession to which the entity belongs, or by having engaged in any wrongful conduct which has an impact on its professional credibility where such conduct denotes wrongful intent or gross negligence, including, in particular, any of the following:

i. fraudulently or negligently misrepresenting information required for the verification of the absence of grounds for exclusion or the fulfilment of selection criteria or in the performance of a contract, a grant agreement or a grant decision;

ii. entering into agreement with other persons with the aim of distorting competition;

iii. violating intellectual property rights;

iv. attempting to influence the decision-making process of the Commission/ the Agency during the award procedure;

v. attempting to obtain confidential information that may confer upon it undue advantages in the award procedure;

d) it has been established by a final judgement that it is guilty of the following:

i. fraud, within the meaning of Article 1 of the Convention on the protection of the European Communities' financial interests, drawn up by the Council Act of 26 July 1995;

ii. corruption, as defined in Article 3 of the Convention on the fight against corruption involving officials of the European Communities or officials of EU Member States, drawn up by the Council Act of 26 May 1997, and in Article 2(1) of Council Framework Decision 2003/568/JHA, as well as corruption as defined in the legal provisions of the country where the authorising officer is located, the country in which the entity is established or the country of the performance of the contract;

iii. participation in a criminal organisation, as defined in Article 2 of Council Framework Decision 2008/841/JHA;

iv. money laundering or terrorist financing, as defined in Article 1 of Directive 2005/60/EC of the European Parliament and of the Council;

v. terrorist-related offences or offences linked to terrorist activities, as defined in Articles 1 and 3 of Council Framework Decision 2002/475/JHA, respectively, or inciting, aiding, abetting or attempting to commit such offences, as referred to in Article 4 of that Decision;

vi. child labour or other forms of trafficking in human beings as defined in Article 2 of Directive 2011/36/EU of the European Parliament and of the Council;

e) it has shown significant deficiencies in complying with the main obligations in the performance of a contract, a grant agreement or a grant decision financed by the Union’s budget, which has led to its early termination or to the application of liquidated damages or other contractual penalties, or which has been discovered following checks, audits or investigations by an Authorising Officer, OLAF or the
Court of Auditors;
f) it has been established by a final judgment or final administrative decision that it has committed an irregularity within the meaning of Article 1(2) of Council Regulation (EC, Euratom) No 2988/95;
g) for the situations of grave professional misconduct, fraud, corruption, other criminal offences, significant deficiencies in the performance of the contract or irregularity, it is subject to:
   i. facts established in the context of audits or investigations carried out by the Court of Auditors, OLAF or internal audit, or any other check, audit or control performed under the responsibility of an authorising officer of an EU institution, of a European office or of an EU agency or body;
   ii. non-final administrative decisions which may include disciplinary measures taken by the competent supervisory body responsible for the verification of the application of standards of professional ethics;
   iii. decisions of the ECB, the EIB, the European Investment Fund or international organisations;
   iv. decisions of the Commission relating to the infringement of the Union’s competition rules or of a national competent authority relating to the infringement of Union or national competition law;
   v. decisions of exclusion by an authorising officer of an EU institution, of a European office or of an EU agency or body.

Applicants will not be granted financial assistance if, in the course of the grant award procedure:
   i. they are subject to a conflict of interests;
   ii. they are guilty of misrepresenting the information required by the contracting authority as a condition of participation in the grant award procedure or have failed to supply that information;
   iii. find themselves in one of the situations of exclusion, referred to above.

The same exclusion criteria apply to affiliated entities. Applicants and their affiliated entities must certify that they are not in one of the situations listed above.

7.2 Eligible Actions
General eligibility criteria

Only Actions which can be identified as projects of common interest as defined in Article 7 of the TEN-T Guidelines and which address pre-identified projects or horizontal priorities listed in Part I of Annex I of the CEF Regulation are eligible under this call.

Proposals concerning combined railways and ERTMS implementation actions must relate to the same section within the pre-identified section.

Pure ERTMS proposals may also include accompanying infrastructure works that are necessitated by the deployment of ERTMS including for capacity purposes.

Concerning inland ports, core inland ports, as identified in Annex II point 2 of the TEN-T Guidelines, and all inland ports located on a pre-identified section on Core Network Corridor, as stipulated in Annex I, part I point 2 of the CEF Regulation and other sections of the Core
Network defined in Annex I, part I point 3 of the CEF Regulation, including water-side infrastructure development, are eligible under this call.

Concerning maritime ports, all core maritime ports, as identified in Annex II point 2 of the TEN-T Guidelines, are eligible under this call.

In addition, proposals that address the upgrade or establishment of a maritime link under the Motorways of the Sea priority, must relate, at least, to either two EU core ports or one core and one EU comprehensive port, as identified in Annex II point 2 of the TEN-T Guidelines, located in two different Member States. Such link may also be extended to a connection with a neighbouring country core or comprehensive port without prejudice to fulfilling the above requirement.

Actions submitted under the priority Innovation and new technologies may entail financial support to third parties. The Actions entailing financial support to third parties are subject to additional requirements pursuant to Article 137 of the Financial Regulation, namely the funding scheme must be the primary objective of the proposed Action. In addition, applicants will be requested in the application form to describe the maximum amount to be granted to each third party, the criteria for determining it, the category(ies) of entities that may receive financial support, the award procedure as well as how compliance with the principles of transparency and equal treatment and the provisions of Article 9 of the CEF Regulation will be ensured.

For proposals submitted under the priority Nodes of the Core Network, including urban nodes, proposals must be located in one (or several) of the nodes listed in Annex II part 1 of the TEN-T Guidelines and/or those listed in Annex II part 2 of the TEN-T Guidelines which are located on a Core Network Corridor.

For proposals submitted under the priority Multimodal logistics platforms, proposals must be located in one (or several) core airport, core maritime port, core inland port or core rail-road terminal, as identified in Annex II part 2 of the TEN-T Guidelines.

Cost Benefit/Cost Effectiveness Analysis

Pursuant to Article 10 of the CEF Regulation, and in view of assessing the economic and financial viability of the proposed Actions, all proposals (works) must be accompanied by a cost-benefit analysis (CBA) proposing the co-funding rate requested for the Action, while taking into account the maximum funding rates stipulated in the CEF Regulation. Member States are asked to confirm in the application form that a methodology recognised in the respective national context has been used. It is strongly recommended that the Cohesion Policy CBA methodology for Major Projects is used for the CBA. A proposed Action which concerns a part or a section of a larger project of common interest may be covered by a socio-economic CBA, which includes a financial analysis, for this larger project of common interest.

For Actions generating net revenue, the CBA must be accompanied by a calculation of the "funding gap", i.e. the part of the Action's costs that are not covered by net revenue. In the

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context of this call for proposals, the modulated co-funding to be requested shall be the lowest of the following: (i) funding gap amount; (ii) the co-funding amount.

The CBA (specifically the Financial Analysis and the funding gap thereof) should be in line with assumptions used in the Business Models provided in application Form E.

For proposals submitted under priorities *European Rail Traffic Management System (ERTMS)* and *Single European Sky (SESAR)*, all Action proposals must be accompanied by a cost-effectiveness analysis only, instead of a CBA.

Proposals submitted under priority *Intelligent Transport Services for Road (ITS)* that address implementation of standards laid down in the existing EU legislation must be accompanied by a cost-effectiveness analysis only, instead of a CBA. Where such proposals address areas not covered by the existing EU standards, they must be accompanied by a CBA.

Proposals required to provide only a cost-effectiveness analysis are not subject to the calculation of the "funding gap".

Additional CBA requirements specific to this call are detailed in section 11.1 below.

Pursuant to Article 22(3) of the CEF Regulation, with a view to monitoring the achievement of climate-change objectives, selected proposals subject to CBA may be designated on the basis of a sampling method to perform an ex-post climate change impact assessment of the proposed Action. For this purpose, all applications should include an estimate of the costs of such climate change impact assessment. These costs will be considered as studies and will benefit from a co-funding rate of up to 50%. The payment of the balance after the completion of the Action will be conditional upon the submission of the completed climate change impact assessment.

**Financial Readiness**

The Action's financial and legal structure should allow for private sector involvement whenever possible and to maximise the mobilisation of private capital.

The applicant shall submit a letter of support from one or several public or private financing institutions evidencing the financial readiness of the Action as described in section 7.2.2 of the Multi-Annual Work Programme.

The state of preparation of the proposed Action should be consistent with a financial close within 12 months from the date of the signature of the grant agreement\(^\text{12}\).!

**Size of the Action**

The total eligible costs of the Action shall be in excess of EUR 10 million\(^\text{13}\).

### 8. SELECTION CRITERIA

The selection criteria are detailed in section 8 of the multi-annual Work Programme.

The operational and financial capacity of applicants will be assessed, as specified below.

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\(^{12}\) See footnote 5.

\(^{13}\) Projects seeking complementary EIB/EFSI support should typically have a project total cost in excess of EUR 25 million for an individual loan. A lower project investment cost may be eligible for EIB/EFSI finance depending on the structure of the project and the type of financing product requested. For small projects the use of intermediation and aggregation vehicles, notably EFSI Investment Platforms, and the involvement of NPBs or private sector investors is recommended.
The need to demonstrate financial and operational capacity does not apply to applicants which are:

- a Member State,
- a neighbouring/third country,
- a public sector body established in the EU (i.e. regional or local authority, body governed by public law or association formed by one or several such authorities or one or several such bodies governed by public law),
- an international organisation,
- a European Economic Interest Grouping (EEIG) established in line with Council Regulation (EEC) N° 2137/85 of 25 July 1985, in which at least one member is a public body, or
- a Joint Undertaking in line with eligibility criteria established under Article 187 of the Treaty on the Functioning of the European Union.

The requirement to demonstrate operational and financial capacity also applies to affiliated entities only where, according to the proposal, the affiliated entity(ies) will be the only one(s) implementing the proposed Action.

8.1 Financial capacity

The applicant(s) must evidence that they have the financial capacity to complete the Action for which the grant, together with other financing resources, is requested. Applicant(s) 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.

8.2 Operational capacity

The applicant(s) must have the operational and technical capacity to complete the Action for which the grant is sought and is requested to provide appropriate documents attesting to that capacity, such as:

- description of the profile of the people primarily responsible for managing and implementing the operation (e.g. accompanied by curriculum vitae);
- the organisations’ activity reports for at least the last year;
- a list of previous Actions and activities performed in the field of TEN-T infrastructure Actions of the same kind;

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14 According to article 43 (2) of the Rules of Application of Regulation (EU, Euratom) No 966/2012 (Commission Delegated Regulation (EU) No 1268/2012), 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.
an inventory of the technical equipment, tools or facilities and patents at the disposal of the applicant and relevant for the Action;

If compliant with the abovementioned requirements, the information submitted by applicants who benefited from TEN-T support as from 2004 or CEF support as from 2014 may be taken into account in the evaluation of these applicants' operational capacity.

9. **AWARD CRITERIA**

Inadmissible proposals or proposals failing to comply with the eligibility criteria will not be further evaluated.

The award criteria are specified in Section 9 of the multi-annual Work Programme. For the purpose of the evaluation, these criteria will be specified as follows:

- **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.
  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;
  - the cross-border impact, where applicable;
  - removal of bottlenecks, enhancing rail interoperability, bridging missing links and improving cross-border sections as stipulated in the CEF Regulation;
  - contribution to innovation, sustainable transport and decarbonisation;
  - Where applicable, multimodal integration and interoperability will also be considered as part of the relevance of a proposed Action;

- **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 following aspects will be assessed:
  - the technical and economic maturity of the Action in the level of project development including the readiness of the technology for deployment (when relevant);
  - the financial readiness of the Action, based on the letter of support provided by public or private financial institution(s) referred to in section 7 above and the Application Form part E;
o the proposed Action should evidence that full financial close with a private sector investor, or the EIB, or a National Promotional Bank, can be reached within 12 months from the date of the signature of the grant agreement\textsuperscript{15};

- **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, in particular in the mobilisation of additional private funding. Moreover, on the basis of the socio-economic CBA 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:

  o stimulating effect of the Union support on public and private investment;

  o the need of the grant to overcome financial obstacles, such as the lack of risk appetite in the market;

  o economic, social, climate and environmental impact, and accessibility;

- **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 following aspects will be assessed:

  o soundness of the financial, technical and operational plan proposed;

  o soundness of control, monitoring, risk management and audit procedures;

  o publicity regarding the financial support from the CEF;

  o the completeness and clarity of the information provided by the applicant(s).

Applicants are required to answer to all the applicable questions in the application forms in order to provide relevant information for assessing the above blocks of award criteria.

Each block of award criteria will be given a score between 0 and 5 points (with half-marks allowed) being 0 insufficient, 1 poor, 2 fair, 3 good, 4 very good and 5 excellent. A proposal must obtain at least 3 points for each block of award criteria to be recommended for funding.

When it is considered that a proposal is more relevant to a priority or sub-priority other than that under which it was submitted, the Commission services may propose to transfer the proposal to the priority in question. Such transfer is only carried out during the phase of evaluation of the proposals, provided that: (i) the proposal is eligible under the conditions of

\textsuperscript{15} See footnote 5.
the funding priority to which it is proposed to be transferred; and (ii) there is written agreement of the applicant(s). In such case, the funding conditions of the funding priority to which a proposal has been transferred shall apply. Such transfer shall not include any other modifications in the proposal. The transfer of a given proposal does not preclude the results of its evaluation.

10. **Final selection process**

During the final selection process, the Commission will 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 Actions, 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;
- The leverage impact of Union funds and EFSI, maximising the crowding in of private sector investors;
- The evidence of reaching financial close with a private sector investor, or the EIB, or a National Promotional Bank, within 12 months from the date of the signature of the grant agreement;\(^{16}\);
- The promotion of geographical balance between Cohesion and non-Cohesion Member States in the use of private sector investors.

In exceptional and duly justified cases, and on the basis of the above-mentioned aspects, the Commission may recommend for funding a proposal that has obtained less than 3 points in one or more blocks of award criteria. In the same way, it may decide to not recommend for funding a proposal that has obtained at least 3 points for each block of award criteria.

11. **Information to be provided with the application specific to this call**

The Action must be at an advanced stage of preparation. This should be evidenced through information provided with the application, which shall include information on the studies or Action preparation documents describing the status and technical specification of the Action, cost estimate and programme for implementation.

\(^{16}\) See footnote 5.
If the EIB, or the National Promotion Banks, or other financial institutions are performing (or have already completed) the due diligence on the Action, including consideration of the information listed in sections 11.1 and 11.2 below, a summary statement of this analysis should be provided as an additional document.

11.1 Cost Benefit Analysis (CBA)

Pursuant to Article 10 of the CEF Regulation and in view of the requirements of point 7.2.1 (3) of the Work Programme, all proposals, with the exceptions mentioned in section 7.2 above, must be accompanied by a CBA.

For Actions generating net revenue, the CBA must be accompanied by a calculation of the "funding gap" i.e. the part of the Action's costs that are not covered by net revenue. Availability payments are not assumed to be revenue. Nevertheless, for Actions attracting availability payments, the level of grant requested should also be justified through an “affordability” analysis.

The CBA shall include sensitivity testing against key assumptions, and Actions shall demonstrate that their economic case is robust to downside scenarios. As a minimum, the following sensitivity tests shall be performed in the analysis:

- Increases of 25% on construction costs
- Delays to Action completion of 6, 12 and 24 months
- Increases of 25% on annual operating costs over the reference period

The Action for which the grant is requested shall demonstrate robust forecasted economic returns, as determined from a CBA.

11.2 Readiness of the borrower and business plan

In addition to the requirements of section 8.1 of this call text, for the purposes of this call, the applicant, or the borrower if different from the applicant, must provide evidence that it has or will have the financial capacity to complete the activities for which the grant and other financing is being requested.

The Action preparation documents shall include the information as described in section 11 of the Multi-Annual Work Programme. This information should be provided through the Application Form E and the letter of support evidencing the financial readiness. The applicants’ attention is drawn to the fact that different models are available for (i) PPP/concessions or ii) all other type of projects.

12. Compliance with EU Law

In accordance with Article 23 of the CEF Regulation, only Actions in conformity with EU law and which are in line with the relevant EU policies, in particular, in the areas of interoperability, environmental protection,17 competition and public procurement, shall be

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13. **FINANCIAL PROVISIONS**

13.1 **General principles**

13.1.1 **Other sources of financing**

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

In that respect, any proposed Action or part thereof that receive or have already received EU funding under the CEF or other EU Programmes (i.e. TEN-T, Marco Polo II, Cohesion Fund, FP7, Horizon 2020, ESIF, etc.) will not be funded under this call.

It is possible to combine CEF financial assistance in the forms of grants or financial instruments with EFSI supported financing. As indicated in Article 9 (7) of the EFSI Regulation, it is possible to use any source of Union funding, including instruments under the European Structural and Investment Funds and the Trans-European Networks and industry policies, to contribute to the financing of eligible Actions in which the EIB itself is investing with the support of the EU EFSI guarantee, provided that those Actions comply with the eligibility criteria and the objectives and principles applicable under the legal framework of the relevant instruments and of the EFSI.

13.1.2 **Non-profit principle**

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 proposed Action. Where a profit is made, the Commission shall be entitled to recover the percentage of the profit corresponding to the EU contribution to the eligible costs actually incurred by the beneficiary to carry out the proposed Action.\(^{18}\)

13.1.3 **Non-retroactivity**

Pursuant to Article 130 of the Financial Regulation, no grants may be awarded retrospectively for Actions already completed. A grant may be awarded for an Action which has already begun provided that the applicant(s) can demonstrate the need for starting the Action prior to the signature of the grant agreement.

13.2 **Funding form**

Grants to be awarded further to this call for proposals will take the form of reimbursement of a specified proportion of the eligible costs actually incurred. The awarding of a CEF grant does not guarantee the approval for financing by other entities such as the European Fund for Strategic Investments (EFSI), the European Investment Bank (EIB), a National Promotional Bank or a private sector investor.

13.2.1 **Co-funding rates**

In line with Article 10(2) of the CEF Regulation, the EU financial assistance to be granted

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\(^{18}\) In the meaning of Article 125 of the Financial Regulation, profit shall be defined as a surplus of the receipts over the eligible costs incurred by the beneficiary, when the request is made for payment of the balance.
under this call for proposals cannot exceed the rates referred to in section 12.1 of the Multi-
Annual Work Programme:

(i) for railway networks, and road networks in the case of Member States with no railway
network established in their territory or in the case of a Member State, or part thereof,
with an isolated network without long-distance rail freight transport: 20 % of the
eligible costs; the funding rate may be increased to a maximum of 30 % for Actions
addressing bottlenecks and to 40 % for Actions concerning cross-border sections and
Actions enhancing rail interoperability;

(ii) for inland waterways: 20 % of the eligible costs; the funding rate may be increased to
a maximum of 40 % for Actions addressing bottlenecks and to a maximum of 40 %
for Actions concerning cross-border sections;

(iii) for inland transport, connections to and the development of multimodal logistics
platforms including connections to inland and maritime ports and airports, as well as
the development of ports: 20% of the eligible costs;

(iv) for Actions supporting new technologies and innovation for all modes of transport:
20% of the eligible costs;

(v) for Actions to support cross-border road sections: 10% of the eligible costs.

With regard to grants for telematic applications systems and services:

(i) for land-based components of the ERTMS and of the SESAR system: 50% of the
eligible costs;

(ii) for land-based components of ITS for the road sector: 20% of the eligible costs;

(iii) for on-board components of ERTMS: 50% of the eligible costs;

(iv) for on-board components of the SESAR system, and of ITS for the road sector: 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;

(v) for Actions to support the development of motorways of the sea: 30% of the eligible
costs.

In line with Article 10(5) of the CEF Regulation, these co-funding rates may be increased by
up to 10 percentage points for Actions with synergies between transport and at least one other
sector covered by the CEF Regulation, which address the priorities of Article 4 of the CEF
Regulation.

The Commission reserves the right to award a grant of less than the amount requested by the
applicant.

13.2.2 Eligible costs

Eligible costs are costs actually incurred by the beneficiary of a grant which meet all the
criteria laid down in Article 126(2) of the Financial Regulation. The same criteria apply to the
costs incurred by affiliated entities and implementing bodies. Costs incurred by borrowing
entities that are not beneficiaries, affiliated entities or implementing bodies are not eligible.

Applicants should refer to points (3) to (8) of Article 8 of the CEF Regulation concerning the
eligibility of costs. The full costs of purchase of equipment and infrastructure which are
treated as capital expenditure are eligible under this call.

Costs will be eligible, at the earliest, from the date on which an application is submitted
and, at the latest, to the date of completion of the Action, which should be 31 December
2023 at the latest.

In line with the second subparagraph of Article 8(7) of the CEF Regulation and Article 126(3)(c) of the Financial Regulation, VAT paid by beneficiaries of grants awarded following this call for proposals is eligible except:

- deductible VAT (VAT paid by the beneficiary for the implementation of taxed activities or exempt activities with right of deduction);
- VAT paid for the implementation of activities engaged in as a public authority by the beneficiary where it is a Member State, regional or local government authority of a Member State or another body governed by public law of a Member State.

The attention of applicants is drawn to the fact that ceilings and/or limitations may be applicable to eligible costs under specific priorities as specified in section 3 of the Work Programme, notably (and not exhaustively) related to:

- ERTMS deployment, as described in section 3.1.4 of the Work Programme;
- Mobile equipment, as described in section 3.2.1 (innovation and new technologies) and 3.3.4 (nodes of the core network) of the Work Programme;
- Proposals submitted under the Single European Sky – SESAR priority, "Common Projects" and "Other projects" category (section 3.3.1 of the Work Programme);
- On-board components of the SESAR system and of ITS for the road sector, as stated in section 13.2.1 above;
- Activities for improved accessibility to transport infrastructure for persons with disabilities and persons with reduced mobility according to Article 10 (2)(b)(v) of the CEF Regulation: costs of these activities may not exceed in any case 10% of the total eligible cost of works of the proposed Action.

An operation comprising investment in mobile assets shall repay the contribution from the CEF Programme if, within five years of the final payment to the beneficiary, it is subject to any of the following:

(a) a relocation of the mobile assets outside the programme area defined in the Grant Agreement;

(b) a substantial change affecting its nature, objectives or implementation conditions which would result in undermining its original objectives.

Detailed information on eligible and ineligible costs is included in the model grant agreement, which will be available on the call webpage.

12.2.3 Payment arrangements

Pre-financing, interim and balance payment(s) will be conditional on:

a. The approval for financing by the EFSI Investment Committee and European Investment Bank (EIB) Board of Directors and, subsequently, full financial close for the entire financing requirement within 12 months from the date of the signature of the grant agreement.
Or, for Actions aiming at removing bottlenecks, Actions with cross-border impact, or Actions in Member States eligible under the Cohesion Fund\(^{19}\) pre-financing, interim and balance payment(s) will be conditional on:

b. The signature of a finance agreement by a National Promotional Bank, the European Investment bank (EIB) or at least one private sector investor for at least the value of the CEF grant awarded and a full financial close for the entire financing requirement within 12 months from the date of the signature of the grant agreement.

The EIB involvement in financial close is not a requirement for grant disbursement (i.e. an Action may receive EFSI Investment Committee EIB Board of Directors approval, but then subsequently choose to close with other providers of finance than the EIB).

The grant disbursement will be conditional on the receipt of evidence(s) that the provisions above are met.

A first pre-financing payment corresponding to 40% of the first instalment of grant awarded as specified in the grant agreement will be made within 30 days of receipt of the required supporting documents, including evidence of full financial close for the entire financing required. Further pre-financing payments may be made upon request and in accordance with the financial needs of the Action.

Requests for interim payments must be submitted at least every two years. Interim payments are allowed only for Actions with a duration exceeding 24 months.

The cumulative amount of all pre-financing and interim payments shall not exceed 80% of the maximum amount of the financial aid awarded.

In the event that the beneficiary's financial capacity is not satisfactory, the pre-financing payment(s) may be subject to the receipt of a financial guarantee for up to the same amount as the pre-financing payment to be made. The financial guarantee, in euro, shall be provided by an approved bank or financial institution established in one of the EU Member States. When the beneficiary is established in a third country, INEA may agree that a bank or financial institution established in a third country may provide the guarantee if the bank or financial institution is considered to offer equivalent security and characteristics as those offered by a bank or financial institution established in a Member State. Amounts blocked in bank accounts will not be accepted as financial guarantees.

The guarantee may be replaced by a joint or several guarantees provided by third parties or by a joint guarantee of the beneficiaries of an Action that are parties to the same grant agreement. The guarantee will be released when the pre-financing is cleared against the interim payment, if applicable, and/or the balance of payment(s) made, in accordance with the conditions laid down in the grant agreement.

In the event that the beneficiary's financial capacity is not satisfactory, a limited joint and several financial liability for recoveries may be applied in accordance with the terms and conditions of the model grant agreement.

The final amount of the grant to be paid to the beneficiary is established after completion of the Action, upon approval of the request for balance payment including, where applicable, the supporting documents as described in the model grant agreement.

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\(^{19}\) Bulgaria, Croatia, Cyprus, the Czech Republic, Estonia, Greece, Hungary, Latvia, Lithuania, Malta, Poland, Portugal, Romania, Slovakia and Slovenia.
For multi-beneficiary Actions, a coordinator must be designated. The coordinator will be the contact point for INEA and will have, *inter alia*, the responsibility for receiving the payment(s) and coordinating the reporting exercise(s). It is strongly recommended that beneficiaries sign an internal cooperation agreement regarding their operation and coordination, including all internal aspects related to the management of the beneficiaries and the implementation of the proposed Action. Such internal cooperation agreements shall not undermine, under any circumstances, the terms and conditions of the model grant agreement.

14. **MODEL GRANT AGREEMENT**

Applicant(s) will be invited to sign the grant agreement if a proposal is selected for funding. The standard model grant agreement is not negotiable and will be signed in English.

Submitting an application implies the acceptance of the terms and conditions of the model grant agreement, available on the call page. Applicants are invited to carefully read this document and its annexes before submitting an application.

Grants for Actions for the implementation of Common Projects of the priority *Single European Sky–SESAR* under Funding Objective 3, will be awarded through Specific Grant Agreements established under the SESAR Deployment Framework Partnership Agreement. The Deployment Manager[^20] is to act as coordinator in each of these Actions. Applicants who are awarded a grant under this call and are not partners in the SESAR Deployment Framework Partnership will 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 Actions.

If the project does not reach financial closure, the Commission / Agency reserve the right to terminate the grant agreement. In this case, no costs may be considered eligible.

15. **PROCEDURE FOR SUBMISSION OF PROPOSALS**

All practical information on this call for proposals and the evaluation process is detailed in the Guide for Applicants. It will be available, together with the application forms, model grant agreement, the multi-annual Work Programme, the CEF Regulation, the TEN-T Guidelines, and other relevant documents, on the call page, accessible via the following link: https://ec.europa.eu/inea/en/connecting-europe-facility/cef-transport/apply-funding/2017-cef-transport-blending-map-call

Applicants are requested to carefully read all call-related documents, including the instructions given in the Guide for Applicants and other guidance documents and information, in particular the Frequently Asked Questions (FAQ).

15.1 **Application forms**

Proposals must be submitted using the application forms provided on the call page at the link above.

Proposals must be signed by the applicant(s) or its duly authorised representative and must be perfectly legible, so that there can be no doubt as to words and figures. Advanced electronic signatures based on a qualified certificate as defined by Regulation 910/2014 on electronic identification and trust services for electronic transactions in the internal market (eIDAS[^20]).

[^20]: http://www.sesardeploymentmanager.eu/contact/
Regulation) and which comply with the signature formats specified in Commission Implementing Decision 2015/1506 shall be accepted.

The applicant(s) specified in the application form part A will automatically be considered as the beneficiary(ies) if the proposal is selected for funding. If applicants designate affiliated entities within the meaning of Article 122 of the Financial Regulation to support the implementation of the proposed Action, the information on these affiliated entities must be encoded in the application form part A, and any relevant supporting documents must be provided.

Applicants must indicate in application form part A to which priority/sub-priority their proposal is submitted. Proposals that include elements of more than one priority/sub-priority must be submitted in the priority/sub-priority to which their content has the highest comparative relevance. In this respect, it is the responsibility of the applicant(s) to assess which priority/sub-priority is better addressed by the nature of the proposal.

15.2 Submission of proposals

Applicants are strongly encouraged to submit their applications in the English language as the evaluation of proposals is entirely conducted in English.

Notwithstanding, applicants have the possibility to submit their proposal, including the CBA, in another EU official language together with an English translation. The latter will be used for the evaluation.

Proposals must be submitted electronically using the TENtec eSubmission module at the following link: https://webgate.ec.europa.eu/tentec/grant/esubmission/.

The electronic submission of proposals must be completed at the latest on 14 July 2017 at 17:00.00 Brussels time for the first cut-off date and on 30 November 2017 at 17:00.00 Brussels time for the second cut-off date (see also Section 6 "Admissibility requirements").

Applicants will decide to which cut-off date they will submit their proposal(s). However, the applicants' attention is drawn to the fact that the entire available budget may be allocated to proposals submitted within the first cut-off date.

Application form part A is automatically generated by the TENtec eSubmission module. Application form parts B, C, D, E and the letter of support evidencing the financial readiness of the Action must be downloaded from the call page at the link above and duly filled in. Once final, these must be uploaded into the TENtec eSubmission module. The same applies to any annexes or supporting documents accompanying the proposal.

The applicants' attention is drawn to the fact that for application form part A only the information encoded in the TENtec system will be taken into account for the evaluation (notwithstanding the obligation to upload a signed version of forms A2.2 and A2.3). For the other forms and documents only the last version uploaded in the TENtec system will be taken into account for the evaluation.

Any parts of the application form that require signatures of applicants or relevant authorities must be scanned and uploaded into the TENtec eSubmission module. Advanced electronic signatures based on a qualified certificate as defined by Regulation 910/2014 on electronic

21 The Commission will reimburse the translation costs resulting from the translation into English of a proposal submitted in response to this call, for a maximum amount of €2,000 per proposal, provided that the translation was submitted before the specified cut-off dates. Please see the Guide for Applicants for details on the reimbursement procedure.
identification and trust services for electronic transactions in the internal market (eIDAS Regulation) and which comply with the signature formats specified in Commission Implementing Decision 2015/1506 shall be accepted.

Applicants must be able to provide the original documents and send them to the Commission/Agency services upon request.

16. COMMUNICATION ON THE CALL FOR PROPOSALS

Further information or clarifications on this call for proposals will be published on the call page at the following link:


Applicants are invited to regularly consult this page and the INEA website/Twitter feed (@inea_eu) regularly until the cut-off dates for submission of proposals.

Any additional specific questions related to this call may be addressed to the call helpdesk: INEA-CEF-TRANSPORT-BLENDING@ec.europa.eu.

Answers to submitted questions will be published in a FAQ list on the call page, to ensure equal treatment of all potential applicants. Questions related to the call should be submitted at least by 30 June 2017 to ensure sufficient time for the last update of the FAQs by 07 July 2017 for the first cut-off date of the submission of proposals. For the second cut-off date, questions should be submitted by 16 November 2017 to ensure sufficient time for the last update of the FAQs by 23 November 2017 for the second cut-off date.

Questions which are specific to a particular proposal and where the answer would provide a comparative advantage to the applicant will not be answered.

However, individual technical questions related to TENtec eSubmission module will be treated until the call cut-off dates.

17. PROCESSING OF PERSONAL DATA

An applicant's reply to the grant application involves the recording and processing of personal data (such as name, address and CV), which will be processed pursuant to Regulation (EC) No 45/2001 on the protection of individuals with regard to the processing of personal data by the Community institutions and bodies and on the free movement of such data. Unless indicated otherwise, applicant's replies to the questions in the application form and any personal data requested are required to assess an applicant's grant application in accordance with the specifications of the call for proposals. Data will be processed solely for the purpose of evaluation of proposals and, in case of successful applications, for the purpose of grant management, including evaluations of the CEF by INEA as data controller for this purpose.

An applicant may, upon request, have his/her personal data sent to him/her and rectify any inaccurate or incomplete particulars. Should an applicant have any queries concerning the processing of his/her personal data, please address them to the entity acting as data controller within INEA.

The data subjects have the right of recourse at any time to INEA's Data Protection Officer (INEA-DPO@ec.europa.eu) or in case of conflict with the Controller or data protection officer concerning the processing of his/her personal data, an applicant has the right to submit a complaint at any time directly to the European Data Protection Supervisor.
(www.edps.europa.eu). Details concerning the processing of an applicant's personal data are available in the privacy statement on the call page:


Personal data included in the application (name, title, organisation, contact information) may be shared within the limits set forth by Regulation 45/2001 with external experts whose contribution is necessary for evaluation of proposals and grants, and with the concerned Member States' representatives in the CEF Coordination Committee on a "need to know" basis in view of their role in the approval of proposals selected for funding, as well as responsibilities under the CEF Regulation.

An applicant's personal data (name, given name if natural person, address, legal form, registration number and name and given name of the persons with powers of representation, decision-making or control, if legal person) may be registered by the Accounting Officer of the Commission in the Early Detection and Exclusion System (EDES) established by the Commission pursuant to Article 108(1) of Regulation (EU, Euratom) No 966/2012 on the financial rules applicable to the general budget of the Union, as amended by Regulation (EU, Euratom) No 2015/1929 (OJ L 286, 30.10.2015, p. 1).

For more information on EDES (including the grounds for being registered in the database), please see:

http://ec.europa.eu/budget/explained/management/protecting/protect_en.cfm,

and the privacy statement at:


Applicants are informed that, to ensure that the EU’s financial interests are protected, their personal data may be communicated to internal audit services, the European Commission, the European Court of Auditors, the body specialising in financial irregularities (Financial Irregularities Panel) or the European Anti-Fraud Office (OLAF).

The data of applicants in any of the situations referred to in Articles 106(1) and 107 of the Financial Regulation may be included in a central exclusion database and communicated to designated persons in the Commission, the other institutions, agencies, authorities and bodies referred to in Article 108(1) and (2) of the Financial Regulation. This also applies to those with powers of representation, decision-making power or powers of control in respect of such applicants. Following a request to the Commission’s Accounting Officer, anyone registered in the database is entitled to be informed of the data recorded about them.

18. IMPORTANT DOCUMENTS

In preparing an application, applicants should refer to all of the following documents, which are available on the call page:

- Multi-Annual Work Programme
- CEF Regulation
- TEN-T Guidelines
- Commission Delegated Regulation (EU) 2016/758
- Application form (parts A, B, C, D, E and the model letter of support for evidencing
the financial readiness of the project

- Guide for Applicants
- FAQs published on the call page
- Application checklist
- Model grant agreement
- EU Financial Regulation and Rules of application
- Decision on personnel costs\(^\text{22}\)
- Cohesion Policy CBA methodology for Major Projects

\(^{22}\) Commission Decision C(2016)478 final of 3.2.2016 on the reimbursement of personnel costs of beneficiaries of the Connecting Europe Facility