

Juncker Plan for Europe : status and next steps

EUROPEAN SUSTAINABLE SHIPPING FORUM

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Connecting Europe : Infrastructure
Investment Strategies

Transport and EFSI

EFSI – state of play for transport

As of September 2016 :

- 21 transport projects approved
- €9 billion total investment
- 12% of the mobilized investment under the IIW

In addition, 2 green shipping schemes have been pre-approved by the EIB Board with the potential to mobilize an additional €3.5 billion.

Transport-specific projects

No	Project name	Country
1	A6 MOTORWAY PPP (*)	NL
2	EUROMED RORO	ES
3	TRENITALIA REGIONAL ROLLING STOCK (*)	IT
4	SPANISH STATE FUNDS FOR PORTS ACCESSIBILITY (*)	ES
5	BALEARIA GREEN FLEET RENEWAL	ES
6	GRAND CONTOURNE:ENT OUEST DE STRASBOURG	FR
7	D4R7 SLOVAKIA PPP (*)	SK
8	A6 WIESLOCH-RAUENBERG TO WEINSBERG PPO	DE
9	AUTOVIE VENETE A4 WIDENING	IT
10	LITHUANIAN AIRPORTS	LT
11	PRZEWOZY REGIONAL ROLLING STOCK MODERNISATION	PL
12	GREEK REGIONAL AIRPORTS	EL
13	A14 VILNIUS – UTENA HIGHWAY PPP PROJECT	LT
14	ROCK RAIL EAST ANGLIA PROJECT	UK

(*) signed (**) pre-approved

Multi-sectoral funds involving transport

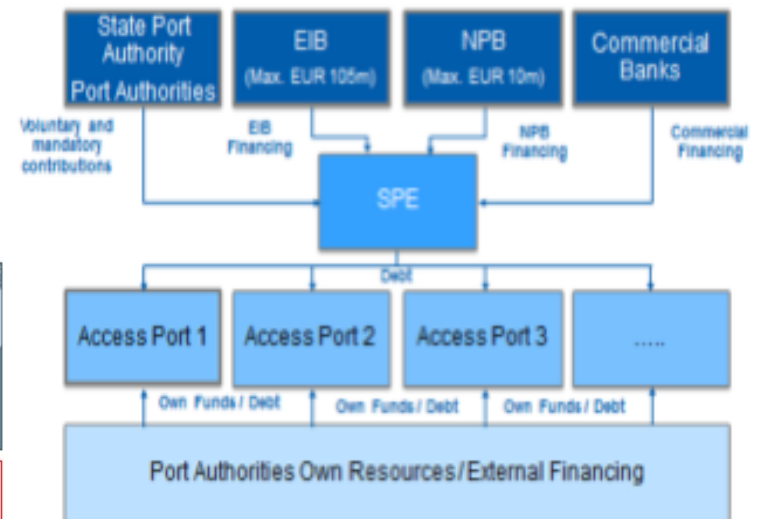
No	Project name	Country
1	QUAERO EUROPEAN INFRASTRUCTURE FUND	EU
2	INFRACAPITAL GREENFIELD INFRASTRUCTURE FUND	EU
3	CUBE INFRASTRUCTURE FUND II	ES
4	FRENCH OVERSEAS TERRITORIES ECONOMIC DEVELOPMENT	FR
5	MIROVA BTP IMPACT LOCAL FUND (**)	FR
6	LISBON URBAN RENEWAL HOUSING CLIMATE FL	PT
7	DIORAMA HELLENIC GROWTH FUND	HL

(**) pre-approved

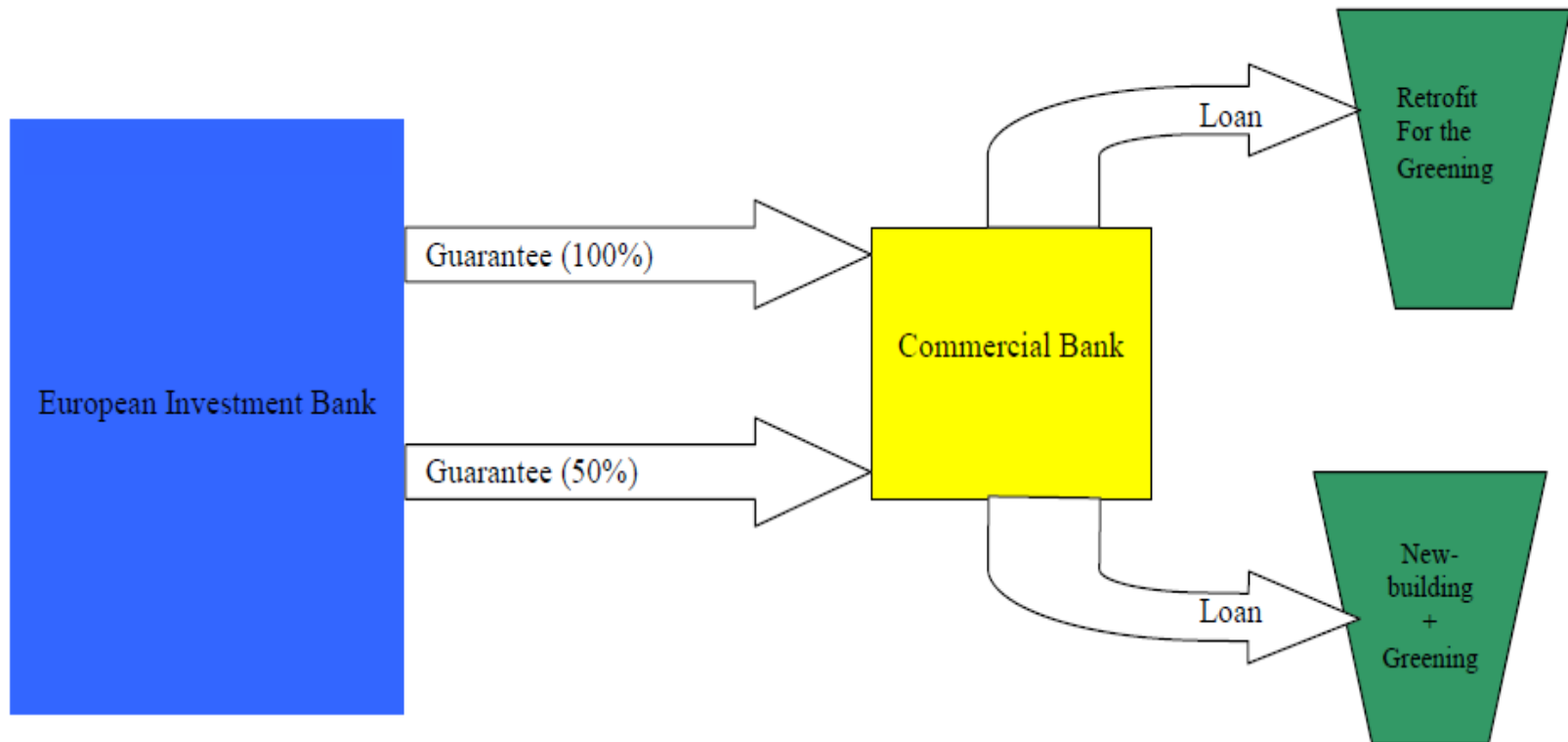
Example 1 : Ports accessibility (investment platform)



Structure of the Project



Example 2 : Green shipping



EFSI 2

Proposal for EFSI 2.0 Regulation

- **Policy implications**

- EFSI implementation period until 31 December 2020
- EU Single Transport Area among major EU policies
- Geographical diversification and principle of additionality
- Proactive role for the European Investment Advisory Hub
- Set out for blending of CEF grants with EFSI instruments
- Contribution to the climate objectives set out by COP21

Proposal for EFSI 2.0 Regulation

- **Budgetary implications**

- Target of additional EFSI investment rises to €500 billion by 2020 :
EFSI guarantee reinforced with additional resources

- €1.1 billion additional Commission resources, including €155 million from
CEF financial instruments budget line for transport

- For blending CEF grants with EFSI products

- €1 billion reallocation from CEF financial instruments transport envelope to
CEF transport grant part

Communication on the mid-term review of the MFF 2014-2020 and Omnibus

Mid-term review of the MFF 2014-2020

- Top up of CEF transport grant envelope with additional €400 million to finance cross-border infrastructure for EU priority networks

Omnibus regulation

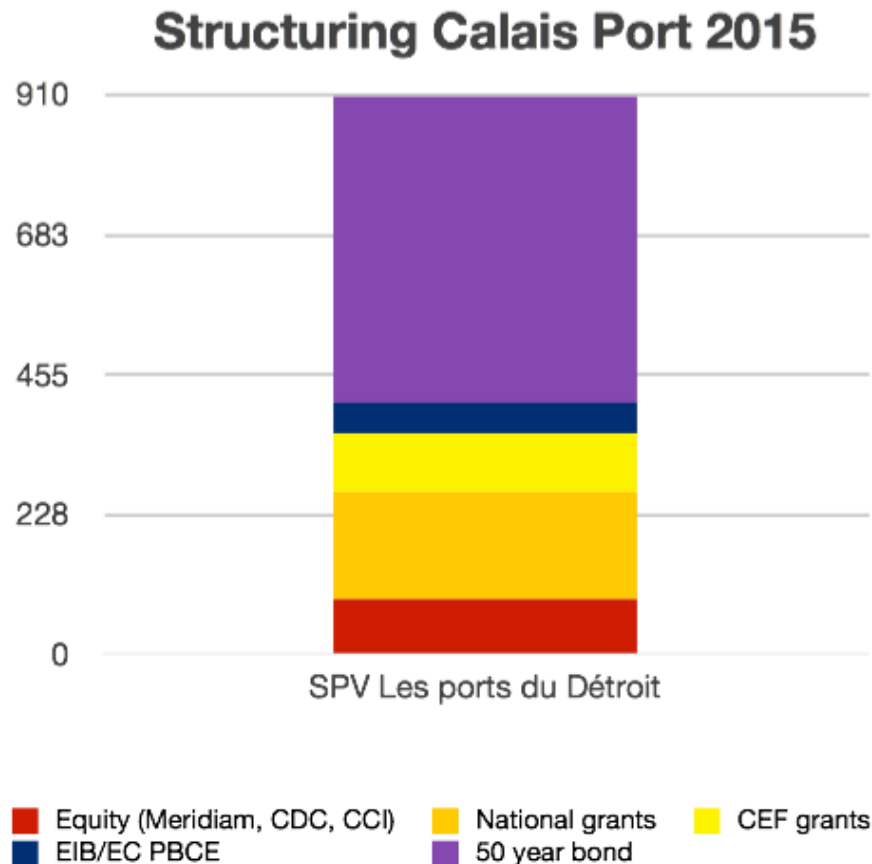
- Sets out the possibility to design CEF blending facility in the future
 - *Combination of CEF grants and/or EU financial instruments and financing from EIB or EFSI, as well as other investors*
 - *Implementation through indirect management, including with the EIB or other banks*
 - *Application of the rules for financial instruments*

Blending

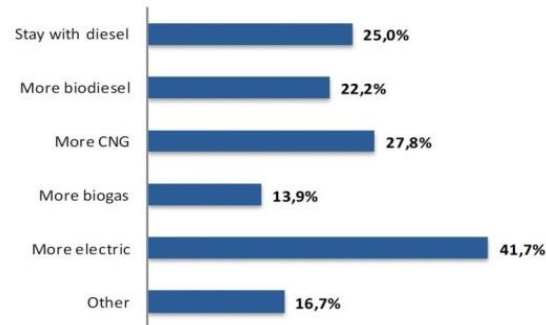
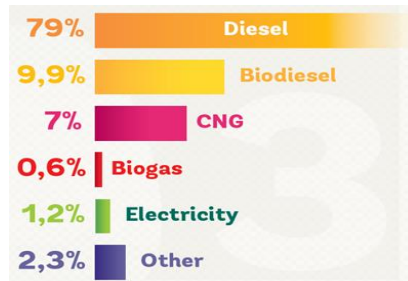
The new way forward : blending CEF grants with EFSI

- **Catalytic** – establishes a financial case for economically sound but financially weak projects, allowing private finance to invest
- **Additional** – the grant component/first loss piece enables creation of new structures, for example investment platforms
- **Proven** – the approach has been successfully used by CEF in a number of projects
- **Impactful** – grant funding dedicated to blending could potentially increase the EFSI transport pipeline

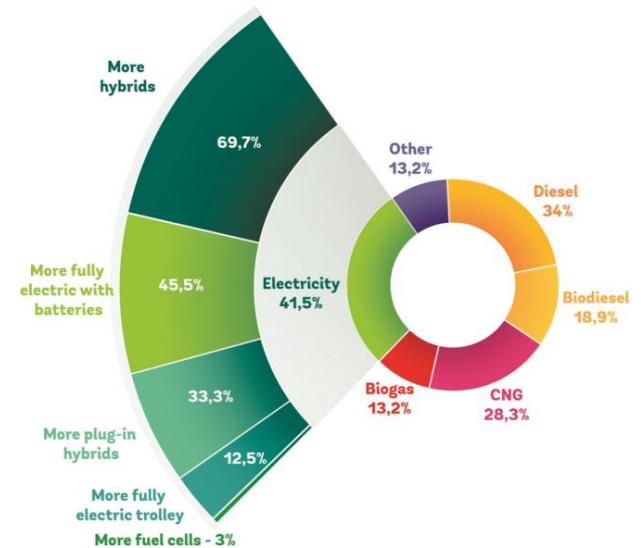
Example : Port of Calais - combined use of CEF grants and financial instruments



Clean Transport Facility (CTF)



Current fleets and plans
(3IBS survey)



Examples of innovative RES transport projects (under CTF)

Name of the project	RIGA TRANSPORT COMPANY	SMT ARTOIS GOHELLE - PROJET BHNS BULLES
Promoter	RP SIA RIGAS SATIKSME	Syndicat Mixte des Transports Artois-Gohelle
Project location	Latvia	FRANCE
Project description	Purchase of 20 new low-floor tram units to operate in the city of Riga, and modernisation of tramway infrastructure and depot. Purchase of 10 hydrogen fuel cell (HFC) buses and 10 Hytrolleys with HFC range extenders. Construction of hydrogen fuel production and storage facility.	Réalisation par le Syndicat Mixte des Transports Artois-Gohelle (SMT Artois-Gohelle) d'un projet de transport en commun comportant la création de six lignes de bus à haut niveau de service ainsi que l'acquisition de bus hybrides articulés de type BHNS, avec une expérimentation hydrogène (sur 6 bus)
Project objectives	The project consists of the purchase of 20 new low-floor tram units for the city of Riga. New trams will replace existing ones, which are obsolete.	Le projet met en oeuvre plusieurs mesures prévues dans le Plan de Déplacements Urbain (PDU) du SMT Artois-Gohelle, l'autorité organisatrice de la mobilité (AOM) pour les Communautés d'Agglomérations de Lens-Liévin, Hénin-Carvin et Béthune-Bruay. Il prévoit d'améliorer l'offre de transport tant d'un point de vue qualité de services que d'attractivité du transport collectif. Le but étant de promouvoir une mobilité solidaire et durable favorisant les modes alternatifs à l'automobile.
Proposed EIB finance	EUR 75 million	EUR 210 millions
Approximate amount		
Total project cost	EUR 195 million	EUR 450 millions
Approximate amount		

CEF Blending Call 2016

- **Context and objectives**

- Boost the EFSI transport pipeline and attract private finance through blending of €1 billion of CEF funding with EFSI financing

- **Approach**

- Finalised by a joint EIB-Commission Working Group, in cooperation with INEA
- Expected launch by end 2016

- **Eligibility and amount**

- Works, not studies
- Grant eligibility and amount subject to consistency with CEF regulation (Article 10), for example
- Grant level to be justified through cost-benefit analysis

CEF Blending Call 2016

- **Timing**
 - Call will run for longer than the usual three months
- **Project preparation**
 - Projects will need to be structured to receive EIB/private finance
 - Identified borrower
 - Solid business case
 - Revenue stream to support loan repayment
 - A reasonable level of development will be expected and associated documentation should be submitted as part of the call. DO NOT WAIT: begin preparing now
- Technical support to be available

Key messages

- CEF grants are limited in eligibility and in volume (pending ongoing MFF review)
- CEF & EFSI financial instruments should be considered for projects with potential revenues
- New tools are being developed for new sectors by EIB, most advanced scheme being the clean transport facility
- "Platform type" structures also developed (i.e. green shipping, port access Spain, equity funds)
- Blending EIB tools and CEF grants (or ESI Funds) is a possibility, with CEF grant focused on remaining funding gap
- Call 2016 for blending CEF grants with EFSI is a big opportunity
- Need to involve EIB (Hub) and MOVE early in the process

THANK YOU FOR YOUR ATTENTION 😊

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MORE INFORMATION AVAILABLE AT:

<http://ec.europa.eu/invest-eu>

<http://www.eib.org/invest-eu>

<http://ec.europa.eu/transport>

<https://ec.europa.eu/inea>

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