Connecting Europe
Delivering the Trans-European Transport Network
Information contained in this brochure is based primarily on the text of the proposals for a Regulation for Union Guidelines for the development of the trans-European transport network (TEN-T), COM 2011(650 final/2), and for a Regulation establishing the Connecting Europe Facility, COM 2011(665 final), adopted by the European Commission on 19 October 2011. The European Parliament and the Council are currently considering the proposals in the framework of the co-decision procedure. The information contained in this brochure will be updated following the adoption of both legislative texts by the EU co-legislators.
For almost 20 years now, the Union’s trans-European transport network policy helps citizens and economic operators to become more mobile. Member States draw additional value from common action which - for example - connects them through a European high-speed railway network or develops major Europe-wide traffic management projects. Regions benefit in terms of increased accessibility and cohesion.

It is true that technical, organisational or budgetary problems in Member States led in some instances to delays in implementing TEN-T projects. These difficulties need to be tackled, all the more as new challenges make an efficient and forward-looking infrastructure network an imperative: Further increasing mobility needs of passengers and the economy must be reconciled with the need to decrease CO₂ emissions. Sustained growth and competitiveness depend on seamless transport infrastructure connections – both inside the Union and with the other parts of the world.

When the Commission started reviewing policies in the context of the preparation of the new multi-annual financial framework 2014 – 2020, we felt this was a good opportunity for a substantial review of the TEN-T policy. The review process involved two public consultations to which many stakeholders contributed their ideas and opinions. The review has led to two legislative proposals for a renewed TEN-T policy, published in October 2011: “Guidelines for the development of the trans-European transport network” and the “Connecting Europe Facility”, as the main financial instrument to implement the new TEN-T policy. Discussions in the Council and the European Parliament on these proposals are on-going, and the Committee of the Regions and the Social and Economic Committee are also thoroughly examining these proposals.

The proposals respond to the needs for efficient infrastructure connections which foster economic growth and competitiveness, cohesion and accessibility for all parts of the Union. The new dual layer network approach for TEN-T planning – with complementary functions of the comprehensive and the core networks – aims to better fulfil these needs. Both the core and comprehensive networks have been designed on the basis of a genuine European methodology which not only takes account of traffic volumes, but places equal emphasis on territorial criteria - thereby ensuring coverage of all regions. The strengthened maritime dimension of the TEN-T, for example, will be of particular benefit to peripheral, insular and outermost regions. Furthermore, for the first time, problems of urban areas (coping with overlapping long-distance and local/regional traffic) have been specifically addressed in the TEN-T Guidelines.

The new TEN-T Guidelines encourage innovative technological developments in the transport sector; this implies challenging opportunities in Member States and regions to enhance competitiveness. By bringing network planning and implementation instruments closer together, the new TEN-T policy framework proposes the creation of core network corridors which aim to enhance coordination across national borders to support efficient and timely project implementation. Where ever appropriate, relevant actors – Member States, regional or local bodies, infrastructure managers, users or investors – are called upon to take on an active role in such coordination activities.

A key objective of the renewed TEN-T policy is to achieve a balanced infrastructure endowment in all parts of the EU. This requires increased efforts for new infrastructure projects in the newer Member States to effectively link them into the Internal Market. The Commission therefore proposes to use the “Connecting Europe Facility” with its 10 billion Euro window reserved for cohesion countries.

I am confident that our proposals for a modern TEN-T policy will better serve the needs of all citizens and economic operators. They should give rise to firm commitment at all levels concerned; allowing the best possible use of the new, challenging opportunities.
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Two decades of TEN-T policy

1992: The Treaty of Maastricht established competencies for the European Union to contribute to the establishment and development of trans-European networks in the areas of transport, telecommunications and energy infrastructures. The aim is to support the efficient functioning of the internal market, and to ensure economic, social and territorial cohesion and improved accessibility across the EU.*

*Current Articles 170 to 172 of the Treaty on the Functioning of the European Union, Lisbon Treaty.

1994: The European Council in Essen adopts a list of 14 major trans-European transport infrastructure projects.

1996: The European Parliament and the EU Council adopted the first Guidelines defining the EU trans-European transport network (TEN-T) policy and infrastructure planning. The list of 14 major projects identified by the 1994 Essen European Council were established as the main focus of the TEN-T development efforts, including EU financial support.

2004: The first major revision of the TEN-T Guidelines took into account the EU enlargement and the expected changes in traffic flows. The list of projects was extended to 30 Priority Projects.

2011: The European Commission submitted to the European Parliament and to the Council a proposal for thoroughly revised TEN-T Guidelines, offering a new approach to TEN-T infrastructure planning and development, with a reinforced trans-European dimension. At the same time, the Commission submitted a proposal for the establishment of the Connecting Europe Facility (CEF) – a fund dedicated to the support of projects developing infrastructure along the trans-European transport, broadband and energy networks.

2013: Expected adoption by the European Parliament and the Council of the two legislative texts, providing a renewed framework for the TEN-T development in the coming decade.

Find the Commission proposals for TEN-T and CEF regulations at http://ec.europa.eu/transport/themes/infrastructure

Transport infrastructure is fundamental for the smooth operation of the internal market, for the mobility of persons and goods and for the economic, social and territorial cohesion of the European Union. Establishing an efficient trans-European transport network (TEN-T) has constituted a key element in the relaunched Lisbon Strategy for competitiveness and employment in Europe. It will play an equally central role in the attainment of the objectives of the Europe 2020 Strategy. If Europe is to fulfill its economic and social potential, it is essential to build the missing links and remove the bottlenecks in our transport infrastructure, as well as to ensure the future sustainability of our transport networks by taking into account the energy efficiency needs and the climate change challenges.
TEN-T policy in a nutshell

Today:
Fragmentation still to be tackled

Current problems

The European Union, taken as a whole, is well endowed with transport infrastructures. But these infrastructures do not, today, provide the Union with a complete trans-European network that can adequately fulfil the objectives set out for it: to support the internal market and to contribute to the economic, social and territorial cohesion of the Union. The TEN-T is fragmented: geographically – particularly between countries; and modally – both between and within transport modes.

• **Missing infrastructure connections between Member States** and also with neighbouring countries constitute a major obstacle to the free movement of passengers and goods.

• **Imbalances in infrastructure quality, availability and investments** and, consequently, in market access continue to exist between and within the Member States, particularly on the east-west connections and the connections to and from Europe’s peripheral regions.

• **Significant gaps in the links between transport modes** and insufficient intelligent transport solutions across modes, do not allow for the efficient exploitation of multimodal transport.

• **Different operational rules and technical systems**, in particular in rail transport**, add to the transport infrastructure barriers and bottlenecks.

• **Lack of innovation**, especially with a view to low carbon technologies, weaken the future sustainability of the EU transport networks.

Future challenges

By 2050, the transport sector demand on infrastructure use in the EU is expected to grow significantly. An increase of 80% for freight and more than 50% for passenger transport is estimated. At the same time, CO₂ emissions would need to be reduced by 60%.

These challenges and the ways to address them are largely detailed in European Commission’s White Paper on transport 2011: Roadmap to a Single European Transport Area - Towards a competitive and resource efficient transport system. The development of an adequate transport network and the development of a smarter way to use this network are listed among the main areas of action identified in the White Paper.


*Currently only 20 of Europe’s major airports are directly connected to the rail network and only 35 of its major ports are well connected to the land network.

**7 different gauges, 7 different electrification systems, 25 different control and command systems.
A renewed trans-European transport network is needed, able to meet growing passenger and freight mobility demand while significantly contributing to climate change objectives. The European Commission embarked in 2009 on a fundamental review of its TEN-T policy, aimed to respond to this need, and address current problems and future challenges. To achieve this end, the Commission drew on lessons learned and accomplishments of the TEN-T policy implementation thus far.

A large stakeholder consultation process

From February 2009 to June 2010 the Commission carried out a broad and intensive public consultation on key challenges and objectives for the TEN-T policy, as well as on the possible ways to meet them. The public consultations attracted, in total, more than 530 contributions. In parallel, drawing on and feeding into the consultation process, six Expert Groups analysed a number of key aspects of future TEN-T development.

A large majority of contributors supported the option of a new dual-layer approach to TEN-T planning: a comprehensive network as the basic layer and a core strategic network. A great deal of emphasis was placed on enhanced infrastructure integration, features enabling safe, secure, efficient and sustainable transport services, as well as on the need to cater for innovative transport technologies. The need for strong EU instruments, enabling ambitious policy objectives to become realities, was also stressed.

To find out more: http://ec.europa.eu/transport/themes/infrastructure/ten-t-policy/review

A genuinely new policy approach

Drawing on the outcome of the public consultation process, as well as on the result of internal consultation among its various services and of other European institutions, the European Commission put forward a revised TEN-T policy proposal. The new policy proposal can be characterised as innovative for three main reasons:

• it is based on a truly European approach to network design;
• brings a reinforced emphasis on delivering network cornerstones;
  (cross-border connectivity, modal integration, interoperability and removal of bottlenecks, as well as technological innovation);
• provides for strengthened TEN-T policy implementation instruments.
A renewed
TEN-T policy

A truly European network planning

TEN-T development so far has been based on a gradual identification and implementation of Priority Projects by individual Member States, in a bottom-up approach. While this approach has helped identify and develop important projects along the TEN-T, it has not delivered a fully integrated, multimodal, trans-European network.

The new TEN-T design takes a more top-down, European approach, based on the use of a specifically designed methodology, coherently applied throughout all Member States. Two complementary network layers have been thus identified:

- the comprehensive network, representing the overall infrastructure of the trans-European transport network, which builds largely on the present TEN-T; and

- the core network, constituted of the strategically most important parts of the comprehensive network, carrying the most important trans-European passenger and freight flows on all modes.

Most of the comprehensive network as drawn on the new TEN-T maps is made up of existing infrastructure. Like in the case of the comprehensive network, large parts of the core network have already been built. But there remain many missing links between the networks of the Member States. Multimodal platforms, linking the various transport modes, such as transhipment platforms in ports and airports or rail-road terminals, also need important further development.

Due to the identified strategic importance of the core network, as carrying the most important passenger and goods flows, its completion has been given priority. 2030 has thus been set as the deadline for the full completion of the core network. However, this will be achievable only if concentrated efforts start without any delay, and if an estimated €250 billion will be invested by 2020 in the core network.

The comprehensive network must ensure effective access to and from the core network to all citizens and businesses in the EU. Its wide coverage will contribute to territorial cohesion and will provide accessibility for all regions, including peripheral and ultra-peripheral regions of the Union. Due to the important works necessary to complete this wide network, and at similar quality and safety standards as the core network, the date for the completion of the comprehensive network has been set for 2050.

Physical infrastructure alone is however not enough to achieve an effectively interconnected network that can support highly efficient traffic flows. To optimise traffic flows, the use of a safe and efficient combination of transport modes (or multimodality) is needed. In turn, this requires the deployment of intelligent traffic management systems and their interoperability, both between national networks and across modes.

A detailed description of the methodology used to identify the TEN-T comprehensive and core layers can be found at: http://ec.europa.eu/transport/themes/infrastructure/revision-t_en.htm
The comprehensive network has been identified by:

- updating the current TEN-T configuration to reflect the actual implementation status and infrastructure development plans for 2050;
- including multimodal infrastructure and more appropriate criteria for the selection of ports and airports (based on dynamic traffic data and geographical criteria);
- setting infrastructure requirements (notably standards which are subject to relevant legislation or international agreements, particularly on interoperability and safety).

The core network has been designed as follows:

First, key nodes have been identified throughout the Union:

- urban nodes: Member States’ capitals, Metropolitan Growth Areas* and conurbations or city clusters of more than one million inhabitants (including their multimodal platforms, such as maritime and inland ports, road-rail terminals and airports);
- maritime and inland ports (beyond those of the urban main nodes) whose total traffic volume exceeds 1% of the overall transshipment volume of Europe’s ports and the largest maritime port along a continuous coastline of each NUTS 1** region with access to the sea;
- inland ports with relevant interface function to core network rail links for freight;
- border crossing points (beyond those of the urban main nodes) to neighbouring countries – one per mode/border between a Member State and a neighbouring country.

Then, the key nodes of the core network have been connected by multi-modal links, following major European traffic flows:

- each urban node has been connected directly with its neighbouring urban nodes, and indirectly to further distant main nodes;
- ports and border crossing points to neighbouring countries have been connected to an urban main node in the hinterland, according to the relevant traffic flow.

Finally, high technical standards (notably in the field of interoperability and innovation) have been established, to provide for efficient infrastructure development in accordance with evolving needs.

*A Metropolitan Growth Area is a type of functional urban areas as classified in the European Spatial Planning Observatory Network (ESPON) Atlas 2006.

**NUTS classification (Nomenclature of territorial units for statistics) is a hierarchical system for dividing up the economic territory of the EU developed by EUROSTAT.
Delivering network “cornerstones”

Building cross-border links

The first condition to achieve a truly trans-European network is that national networks are linked at the borders. Yet missing cross border links constitute today significant bottlenecks for freight and passenger flows on important European axes. They affect connections both across the Union’s Member States and with its neighbours. In addition, the considerable and enduring disparity in the quality and availability of infrastructure between the older and the newer Member States means also that East-West connections need, in particular to be further developed.

The new methodology for the core network design allowed the identification of the necessary cross-border connections. It ensures that the revised TEN-T will address these gaps and redress current disparities.

Integrating infrastructure

High quality, resource efficient transport chains for passengers and goods call for an integrated infrastructure network that enables each transport mode to fully deploy its advantages.

This implies:

- development of rail, road and - where appropriate – inland waterway connections between nodes, notably of the core network;
- interconnection of TEN-T infrastructure in maritime and inland ports, airports and multi-modal freight terminals;
- application of telematics within as well as between modes, for the sake of high-quality services for passengers and efficient and reliable freight logistics;
- enhanced emphasis on urban nodes (where the overlapping of long-distance and local and regional traffic creates particular problems) through inter-modal TEN-T connections and the encouragement of smooth connections between long-distance and regional and local traffic.

Telematic applications to be deployed on the TEN-T

- **ERTMS** (European Rail Traffic Management System)
- **ITS** (Intelligent Transport System for road)
- **SESAR** (Single European Sky Air traffic management Research)
- **RIS** (River Information Services)
- **VTMIS** (Vessel Traffic Management Information System)
A renewed TEN-T policy

Removing bottlenecks

Effective movement of people and goods without delay or interruption by bottlenecks (be it of physical, technical or organisational nature) is crucial for an efficient transport network. For this purpose, the renewed TEN-T policy focuses on:

• filling the missing links in the network, and in particular at internal and external borders;
• removal of physical bottlenecks through infrastructure upgrading where necessary;
• smart infrastructure use through telematic applications;
• removal of technological or organisational barriers wherever they affect transport flows.

Boosting interoperability

Interoperable transport infrastructure and vehicle-infrastructure systems are needed to enable seamless circulation throughout the Union. Amongst the critical areas in this respect are the railway sector, intelligent transport systems, inland waterways and – in the future – power supply for electric vehicles. In the rail sector, for example, there are currently more than 25 national systems in use across Europe for automatically controlling the speed control of trains. This is still augmented by 15 sub-systems.

To enable locomotives to circulate across such “technical borders”, they must be equipped with different systems. This is not only an extremely costly but also time consuming operation (to obtain the corresponding authorisations). Especially freight transport is affected by this situation. The European Rail Traffic Management (ERTMS) provides for a unique and compatible system – and it is already subject to EU legislation. Specifications were adopted in 2008, and since the end of 2011, more than 4,000 kilometres of ERTMS equipped lines have been in service.

The new TEN-T policy substantiates the objective to equip the whole network with ERTMS, with the aim of significantly enhancing the competitiveness of rail transport in Europe. In 2009, Member States agreed to deploy ERTMS on 6 key international rail freight corridors – with completion dates for either 2015 or 2020. On top of these obligations, the core network shall be fully equipped with ERTMS by 2030.
Promoting innovative technological developments

Deployment of innovative solutions and new technologies are essential if the European transport infrastructure is transformed into a modern, safe and resource-efficient system. This is one of the main objectives that the renewed TEN-T policy seeks to support.

To meet the 2050 target of a 60% reduction of CO₂ emissions, new vehicle technologies, innovative operational concepts (such as energy-efficient services within and across modes) and corresponding infrastructure developments need to go hand in hand. Broad transitions from fossil fuel-based propulsion technologies to electric or hydrogen technologies cannot materialise without the corresponding support infrastructure.

In addition to stimulating alternative propulsion systems and energy efficiency for all transport modes, technological innovation in TEN-T policy will cover a broad range of areas:

- reduction of noise pollution;
- enhancement of safety and security;
- high-grade quality services for commercial and private users;
- innovative information and communication services (including, for example multi-modal ticketing);
- advanced environmental standards (for example to raise resilience to climate change);
- improved accessibility for all groups of users.

Strengthened implementation instruments

The implementation of the current TEN-T policy has shown that cross-border coordination between Member States in project planning, development, and subsequent management is often difficult to achieve. In order to address this challenge, European Coordinators have been appointed and have been playing an important mediation role since 2005.

The new TEN-T policy proposal seeks to strengthen coordination between Member States in infrastructure development planning and use by providing for the establishment of structured coordination frameworks, or “corridors”, along major trans-European transport axes on the core network. Such corridors would cover the most important long-distance flows in the core network and are intended in particular to improve cross-border links within the Union.

Coordination would be ensured via specific governance structures which will oversee traffic developments, identify bottlenecks – both functional and infrastructural – and steer action on the corridors in a resource efficient and consistent manner. Depending on the situation, these coordination structures may include Member State authorities, infrastructure managers, concerned regional and local authorities as well as users. The interaction will take place in a light yet structured format, chaired by the European Coordinators and assisted by a dedicated secretariat.
A renewed
TEN-T policy

What Corridors are:

• An **implementation tool** for the core network, bringing together all relevant actors to ensure coordinated and efficient actions across national borders, a regular observation of traffic flows, an identification of projects and concerted action for projects’ efficient and timely implementation.

• A **possibility to create appropriate governance structures**, notably to facilitate the implementation of complex and critical types of projects such as cross-border sections, intermodal connections or railway interoperability measures.

• An **instrument which builds on the positive experience of European coordinators** and which will use their prominence on a more systematic scale, in the framework of corridor platforms.

• A **framework to foster multi-modality**, by connecting land, maritime and air transport modes in order to enable each transport modes to deploy its advantages and to generate synergies from their combination.

• A **venue to support the promotion of high-quality services** across modes and to stimulate resource efficiency both in terms of energy consumption and investment effort.

• An **opportunity to pilot innovative solutions** – intelligent transport services across modes, alternative propulsion technologies, new approaches to governance – and to pave the way for a sustainable transport infrastructure and transport development for the next four decades.

• A **tool for development** of strategies for greening transport.

What Corridors are **not**:

• A **third planning layer**: Core network corridors are an instrument to facilitate the implementation of the core network but are not an additional planning layer on top of the core network. The TEN-T Guidelines propose a set of tools which may help to facilitate and streamline project implementation in a coordinated way but which do not need to be applied at any cost if other approaches lead to the same, or even better, results. Focusing, in a first phase, on network parts of particularly high strategic importance, the set of tools may also be applied to other parts of the TEN-T.

• An **administrative burden**: The tools are intended to facilitate action and save resources rather than to create additional burdens. The corridor approach is a flexible instrument, and the different tools involved will be used depending on the concrete situation at stake.

• A **violation of the subsidiarity principle**: The corridor approach aims at facilitating cooperation between Member States and other actors involved. The Commission does not intend to take any action which goes beyond this remit and interferes with sovereign responsibilities at national level.
A renewed TEN-T policy

Coordination with other EU policies

Better coordination for a more efficient implementation of EU Treaty objectives across all areas of EU policy intervention is one of the main objectives the European Commission has set out for itself. To this end, the renewed TEN-T policy will provide the framework for orientation of EU support to TEN-T development within other policy areas, in particular the cohesion policy, external cooperation and research and innovation.

Providing access to the single market and increasing the accessibility of Member States and regions, in order to reach the targets and objectives of the Europe 2020 Strategy and to effectively reduce disparities, constitute an important dimension of EU’s cohesion policy. To this end, the future cohesion policy will promote sustainable transport and remove bottlenecks in key network infrastructures, including the TEN-T. Other TEN-T related investment priorities within the cohesion policy are: developing comprehensive, high quality and interoperable railway infrastructure; developing low carbon transport systems and clean urban transport; as well as enhancing regional mobility through connections with TEN-T infrastructure.

The coordination between the TEN-T policy objectives and the corresponding cohesion policy objectives will be coordinated primarily in the context of cohesion policy’s main implementation instruments: the Common Strategic Framework which lays out key actions of the Cohesion Fund and the European Regional Development Fund (ERDF) at the European level*; the Partnership Contracts, established at national level, between the European Commission and each Member State, and the respective implementing Operational Programmes**. Particular care will be taken to avoid overlaps, to maximise complementarity and to ensure the best possible use of Union support.

Closer transport cooperation can deepen economic integration also between the EU and its neighbours. Effectively and efficiently connecting the TEN-T to the transport infrastructure networks of neighbouring countries, and assisting these countries to develop their transport infrastructure network, would facilitate the flow of goods and passengers and increase economic activity with neighbouring regions.

The Commission put forward a number of measures to make transport connections with the neighbouring countries more efficient in a recently adopted Communication “The EU and its neighbouring regions: A renewed approach to transport cooperation”. The renewed TEN-T policy constitute a main reference point for the development of the proposed actions, which focus on three key elements: defining the networks, prioritising projects and mobilising financing.

Last but not least, the EU’s Framework Programme for Research and Innovation – “Horizon 2020” will help bridge the gap between research and the market – by helping innovative enterprise to develop their technological breakthroughs into viable products with real commercial potential. Coordinating financial support given to research projects in the field of transport under the Horizon 2020 programme, in order to contribute to the greatest possible extent to the TEN-T policy objectives - particularly the development of new vehicle technologies and corresponding support infrastructure - will be given particular care.

*The strategic planning process will be undertaken with due regard to the institutional set-up of individual Member States. In federal MS where programming is strongly regionalised, the Partnership Contract will play a role primarily as a tool for ensuring coherence and coordination.

**Operational Programmes for TEN-T investments are primarily established in Member States at national level.
The Connecting Europe Facility: an instrument focused on EU added value infrastructure projects

TEN-T investment needs

To match the demand for transport, the cost of infrastructure development in EU Member States for the period 2010-2030 has been estimated at over €1.5 trillion. Meanwhile, the completion of the entire TEN-T requires about €500 billion by 2020, of which €250 billion would be needed to complete missing links and remove bottlenecks on the core network.

For the next financial period 2014-2020, the Commission has proposed that €31.7 billion be allocated within the newly proposed Connecting Europe Facility (CEF) for TEN-T infrastructure development, with a particular focus on the core network. In order to increase the impact of EU budgetary resources, the Commission also proposes to tap more systematically into the use of innovative financial instruments to offer an alternative to the traditional grant funding and plug financing gaps for strategic investments.

Investments in key infrastructures with strong EU added value can boost Europe’s competitiveness in a difficult economic context, marked by slow growth and tight public budgets. The TEN-T core network, as the identified carrier of the strategically most important European transport flows, counts without doubt among the key EU added value infrastructures. Such investments are also instrumental in allowing the EU to meet its sustainable growth objectives outlined in the Europe 2020 Strategy and the EU’s “20-20-20” objectives in the area of energy and climate policy.

A new instrument

The Connecting Europe Facility is a new instrument proposed by the Commission, but the practice of supporting projects developing the TEN-T with financial contributions from the EU budget is not new. Since the 1990s, the European Community has provided the possibility to support transport infrastructure projects, with the first dedicated budget line having been set up in 1995. Successive Regulations, following the EU budget cycle, have set out the rules and conditions for allocating the available funds.

The CEF Regulation, covering the EU multiannual financial framework 2014-2020, takes over many provisions of the Regulation covering the current financial period 2007-2013**, but brings a number of significant new elements:

- **better focus of the Union financial support** on projects with high EU value added, by providing higher grant co-funding rates for identified priorities: cross-border connections, bottlenecks, intelligent traffic management systems, multimodal platforms;

- **improved conditions for the use of innovative financial instruments**, in order to attract higher private investments for the development of infrastructure, particularly in the field of transport, where national and regional public budgets have traditionally been the main source of funding;

- **higher funds allocated for TEN-T development support**: €21.7 billion (Commission proposal) for the period 2014-2020, plus €10 billion ring-fenced from the Cohesion Fund, as opposed to €8 billion allocated during the 2007-2013 period for TEN-T development, in addition to the €43 billion in the Cohesion Fund and the Structural Funds.

*The CEF Regulation provides a single legislative framework setting the conditions and rules for providing Union financial aid in three fields of trans-European infrastructure networks: transport, energy and telecommunications infrastructures. The references made here are to be understood as concerning only the transport part of the CEF.
Focus: 3 horizontal priorities, sections on 10 core network corridors and a number of other core network sections

CEF investments will focus in particular on projects with high EU added value, such as building missing cross-border links and removing bottlenecks along main trans-European transport corridors. Priority will also be given to transport modes that are less polluting, to the deployment of telematics applications and the use of innovative technologies. The aim is thus to contribute to making the European transport system more sustainable, more efficient and give consumers more choice about how they want to travel.

To this end, a list of high EU added-value projects has been pre-identified. This list, annexed to the CEF proposal, includes:

- “Horizontal priorities” for TEN-T development, namely innovative traffic management systems and services for all modes;
- projects identified along ten core network multimodal corridors (see map on pp. 24-25);
- projects on the core network, mainly cross-border sections and bottlenecks, which are not part of Corridors.

The Commission has proposed that a great part of the total CEF financial support for transport, i.e. between 80% and 85%, be dedicated to financing projects identified in this list. These projects have been pre-identified by the Commission in consultation with the Member States on their project portfolio, and constitute projects that could and should be developed with priority if an efficient and effectively connected core TEN-T is to be a reality by 2030.

€31.7 billion
€10 billion

€10 billion earmarked for Cohesion Fund eligible Member States

A good coordination of the financial support offered to TEN-T development by means of the various EU budget instruments is an aim of the European Commission. In particular, the Cohesion Fund, with the important resources it makes available for transport infrastructure development (€43 billion for the period 2007-2013 in the Cohesion and Structural Funds, compared to €8 billion allocated to the TEN-T Programme for the same period), can play a significant role in fostering TEN-T infrastructure development.

However, experience has shown that the development of infrastructure projects with a higher added value for the development of the TEN-T as a whole, and particularly of cross-border sections, has been particularly difficult to foster under the shared management of the Cohesion Fund. For this reason, and in order to ensure a higher effectiveness of TEN-T policy implementation in the eligible Member States, the Commission has proposed an innovative solution. Part of the Cohesion Fund budget dedicated to transport – €10 billion – will be earmarked within the CEF to support transport infrastructure projects on the TEN-T specifically for Cohesion Fund eligible Member States.

These funds will be earmarked exclusively for TEN-T infrastructure projects in the Member States eligible to the Cohesion Fund and will be granted with the more favourable conditions provided by the Cohesion Fund – such as a higher co-funding rate of up to 85%. The objective is to ensure that the projects needed to remove the obstacles to the proper physical integration to the Single Market in the eligible Member States – missing cross-border transport links in particular – are realised.
Forms of financial support

The support for TEN-T projects will take mainly the form of grants. Such non-refundable contributions are necessary to help develop projects of important European added value, but for which the available national and/or regional public and private resources are not sufficient. Identified according to the new European network planning methodology, the core network infrastructures have an inherent, recognised EU added value. Grants may amount to up to 50% of the total project implementation costs, depending on the type of project. The maximum rates have been established in the CEF Regulation, reflecting the anticipated added value to the development of the TEN-T network as a whole and the difficulties the experience has shown that certain types of projects may encounter.

Apart from grants, the EU financial support will be channelled via financial instruments. An important feature of financial instruments is that they create a stronger multiplier effect for the EU budget than traditional instruments, by facilitating and attracting other public and private financing to projects of EU interest. This leveraging of the investment enhances the impact of the EU budget.

The financial instruments used under the CEF will take the shape of loans, guarantees, equity or quasi-equity investment instruments that the European Commission will develop in cooperation with agreed financial institutions, particularly the European Investment Bank (EIB). The role of these financial instruments will be to reduce repayment risk in the financing of TEN-T projects. They will be used to attract long-term private investors such as pension funds or insurance companies to invest in TEN-T projects with commercial viability, i.e. projects with stable and predictable cash flow generation potential. These instruments will build on the financial instruments put in place under the current financial framework in cooperation with the EIB, such as the Loan Guarantee Instrument for trans-European transport network projects (LGTT).

CEF grant co-funding rates

<table>
<thead>
<tr>
<th>Types of Projects</th>
<th>All Member States</th>
<th>Member States eligible for Cohesion Fund</th>
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<tbody>
<tr>
<td><strong>Studies (all)</strong></td>
<td>50%</td>
<td>80-85%</td>
</tr>
<tr>
<td><strong>Works on</strong></td>
<td></td>
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<tr>
<td>Rail</td>
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<tr>
<td>Cross border</td>
<td>40%</td>
<td>80-85%</td>
</tr>
<tr>
<td>Bottleneck</td>
<td>30%</td>
<td>80-85%</td>
</tr>
<tr>
<td>Other projects of common interest</td>
<td>20%</td>
<td>80-85%</td>
</tr>
<tr>
<td>Cross border</td>
<td>40%</td>
<td>80-85%</td>
</tr>
<tr>
<td>Bottleneck</td>
<td>30%</td>
<td>80-85%</td>
</tr>
<tr>
<td>Other projects of common interest</td>
<td>20%</td>
<td>80-85%</td>
</tr>
<tr>
<td>Inland waterways</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Inland transport connections to ports and airports (rail and road)</td>
<td>20%</td>
<td>80-85%</td>
</tr>
<tr>
<td>Development of ports</td>
<td>20%</td>
<td>80-85%</td>
</tr>
<tr>
<td>Development of multi-modal platforms</td>
<td>20%</td>
<td>80-85%</td>
</tr>
<tr>
<td>Reduce rail freight noise by retrofitting of existing rolling stock</td>
<td>20%</td>
<td>20%</td>
</tr>
<tr>
<td>Freight transport services</td>
<td>20%</td>
<td>20%</td>
</tr>
<tr>
<td>Secure parkings on road core network</td>
<td>20%</td>
<td>20%</td>
</tr>
<tr>
<td>Motorways of the sea</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Traffic management systems</td>
<td>ERTMS (rail)</td>
<td>20%</td>
</tr>
<tr>
<td>Other modes</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cross border road sections</td>
<td>---</td>
<td>80-85%</td>
</tr>
</tbody>
</table>
**Grants**

**Budget programming**

CEF grant funding will be allocated through competitive calls for proposals organised according to multi-annual and annual work programmes, which specify the type of projects that will be funded and specific selection criteria for the different types of projects.

The multi-annual work programme will cover the entire financial period 2014-2020, and will concern 80% to 85% of the CEF transport budget, approximately €25 billion to €27 billion. The projects eligible for funding under this programme are the projects pre-identified in the CEF Regulation Annex (horizontal priority projects, projects on the ten core network corridors and other pre-identified core network section projects). These are complex projects with long completion periods, for which EU co-financing needs to be guaranteed over a multiple number of years in order to constitute an effective contribution and confer security to projects’ implementation.

The remaining 15 to 20% of the CEF transport budget, or approximately €4.5 billion to €6.5 billion, will be allocated on the basis of annual work programmes. These programmes will concern projects on the core network for which EU contribution over a shorter period of time, normally within 3 years, will be sufficient to support the project towards a successful completion. They will allow the Commission to tailor annual calls for proposals to address specific priorities that evolve over the course of the budget cycle. In particular, funding for Public-Private Partnerships (PPP) screening and PPP project preparation will be a continuing priority under annual calls. Annual work programmes also form the financing decisions for the Commissions’ contribution to financial instruments.

For the €10 billion earmarked for Cohesion Fund eligible Member States, separate multi-annual and annual calls will be organised for project proposals in these Member States. When implementing these calls, greatest possible priority will be given to projects respecting the national allocations under the Cohesion Fund.

**Project evaluation and selection**

Calls for projects will be organised regularly for both the annual and the multi-annual work programmes. The European Commission (DG MOVE) will be responsible for the process of evaluation and selection of projects, assisted by the TEN-T Executive Agency (TEN-T EA).

Since 2007, the TEN-T EA has been responsible for managing the technical and financial implementation of the TEN-T programme. Starting with 2014, it will perform the same tasks in relation to the management of EU transport infrastructure funds within CEF.

Project proposals can be submitted by one Member State or several Member States in cooperation, international organisations, joint undertakings, or public or private undertakings or entities established in EU Member States. All project proposals will need to be approved by the government of the Member State(s) where the project will be implemented, with the exception of projects in the field of air transport management.

**Role of the TEN-T Executive Agency**

One of the key activities of the TEN-T EA will be to provide assistance to the European Commission in organising the calls for projects for both the annual and the multiannual work programmes and in the evaluation and selection of TEN-T project proposals. The evaluation process is being based on two key principles:

- equal treatment: all proposals are evaluated in the same manner against the same criteria;
- transparency: adequate feedback is given to applicants on the outcome of the evaluation of their proposals.

The evaluation process will be supported by external experts whose role is to ensure that only those proposals that best meet the award criteria – as described in the relevant work programme and call for projects text – are selected for funding. These award criteria are grouped in the following four blocks: relevance, maturity, impact and quality.

Throughout the evaluation process the Agency will take all the necessary steps to ensure that the best proposals are proposed for funding by the Programme, in line with all set principles and priorities.
The European Commission will remain responsible for the final selection of proposals based on recommendations of the external evaluators. However, other criteria such as the available budget, the strategic objectives of the calls and the policy relevance of the proposals will also be considered at this stage.

For more information on the activity of the TEN-T EA visit http://tentea.ec.europa.eu/

The TENtec System

TENtec is the European Commission’s information system to coordinate and support TEN-T policy. It stores and manages technical and financial data for the analysis, management and political decision making of the TEN-T programme.

In addition, TENtec acts as a bridge to Member State ministries and other key stakeholders (DG REGIO, DG Environment, EIB and neighbouring countries). This includes: providing support for briefings, modelling of future policy/budgetary scenarios, interfacing to GIS (Geographical Information System), monitoring and reporting, as well as facilitating the electronic submission of applications and online surveys. Moreover, the system manages the necessary workflows for issuing of Commission Decisions. It provides support for the complete selection cycle for new projects including proposal submission and reception, and the required web interfaces (a private and public portal as well as general web services to connect to external data sources).

A relaunched TENtec Public Outreach functionality will provide timely information to European citizens through dynamic maps, facts, figures and various audio-visual and interactive elements. This public access will be a useful communication instrument and provide a more systematic and comprehensive information on the Commission’s work in relation to transport infrastructure. This important instrument aims to raise public awareness regarding the benefits of TEN-T policy development.

The next phase plans for new functionalities and modules such as the inclusion of neighbouring countries, a web interface for third parties, fund monitoring (CEF/ TEN-T, Cohesion Funds, EIB, Member State), TEN-T EA monitoring, TEN-T online reporting and statistics, as well as the outsourced individual TEN-T project implementation functionalities. It may also serve as a basis for general transport infrastructure policy-making in Europe.

Visit the TENtec portal at http://ec.europa.eu/transport/themes/infrastructure/tentec/
Financial instruments

Support via CEF financial instruments will be available for the whole TEN-T network, core and comprehensive. The estimated market uptake for these instruments has been estimated to about €2 billion. Unlike for grants, the management will not be done through calls for proposals. On the basis of the eligibility defined by the EU in the TEN-T guidelines, the EIB will select specific projects using standard eligibility criteria and credit risk policies, in order to optimise the use of the selected financial instrument(s) in the financing of the project. The TEN-T Executive Agency, working together with the EIB will act as facilitators for project promoters. The decision to provide support via the financial instrument will be ultimately taken by the EIB.

The European Commission, the TEN-T Executive Agency, the EIB as well as joint bodies such as JASPERS will provide assistance to develop the project pipeline where appropriate. Projects receiving grant funding for PPP project preparation through the annual calls for proposal could also become part of this EU level PPP project pipeline. It will also be possible to combine innovative financial instruments and EU direct support (grants) to optimise the impact of financing.

Funding under the Cohesion Policy*

The resources proposed by the European Commission to be allocated to TEN-T development support in the next multiannual financial period 2014-2020 testify to the continuing importance of transport infrastructure network development for the achievement of the objective of economic, social and territorial cohesion within the Union:

- €34 billion for the Cohesion Fund (of which €10 billion earmarked within the CEF)
- a significant part, still to be decided in the context of the negotiations with Member States on cohesion policy’s strategic programming in the next period, of the about 170 billion allocated to the European Regional Development Fund (ERDF).

In order to absorb these funds, a significant part of the future transport allocations in Member States is therefore expected to be directed to TEN-T development.

To ensure the effectiveness and efficiency of cohesion policy in reaching its transport infrastructure objectives, in particular as concerns planning and smooth implementation of projects, the Commission has proposed a number of specific ex-ante conditionalities. The ex-ante conditionalities are a mechanism by means of which the Commission aims at establishing mature and realistic project pipelines for the next financial period. Project support will be offered mainly in the form of grants, from either the ERDF or the Cohesion Fund.

*European Commission proposal for a Regulation laying down common provisions on the European Regional Development Fund, the European Social Fund, the Cohesion Fund, the European Agricultural Fund for Rural Development and the European Maritime and Fisheries Fund covered by the Common Strategic Framework and laying down general provisions on the European Regional Development Fund, the European Social Fund and the Cohesion Fund
## Cohesion Fund Support (2014-2020)

<table>
<thead>
<tr>
<th>Eligible Member State</th>
<th>Region</th>
<th>Co-financing rate</th>
<th>Investment priorities</th>
</tr>
</thead>
</table>
| Member States eligible for the Cohesion Fund | All regions | up to 85% | • supporting a multi-modal Single European Transport Area by investing in the TEN-T;  
• developing environment-friendly and low-carbon transport systems including promoting sustainable urban mobility;  
• developing comprehensive, high quality and interoperable railway systems. |

## ERDF Support (2014-2020)

<table>
<thead>
<tr>
<th>Eligible Member State</th>
<th>Regions</th>
<th>Co-financing rate</th>
<th>Investment priorities</th>
</tr>
</thead>
<tbody>
<tr>
<td>All Member States</td>
<td>Less developed regions</td>
<td>up to 85%</td>
<td>• supporting a multimodal Single European Transport Area by investing in the TEN-T</td>
</tr>
<tr>
<td></td>
<td>Transition regions</td>
<td>up to 75%</td>
<td>• enhancing regional mobility through connecting secondary and tertiary nodes to TEN-T infrastructure</td>
</tr>
<tr>
<td></td>
<td>More developed regions</td>
<td>No</td>
<td></td>
</tr>
</tbody>
</table>

Other financing instruments

The European Commission has proposed an important budget for research in the next financial period 2014-2020 under its Horizon 2020 research and innovation programme, as the basis for sustainable growth of the EU economy.

As far as transport is concerned, the total amount proposed is €6.8 billion and will be dedicated to the further development of intelligent and innovative transport solutions, including telematic applications, alternative fuels, new vehicle technologies and innovative operational concepts.

Taking a particularly market-driven approach, the use of funds under the Horizon 2020 programme will include creating partnerships with the private sector and Member States to bring together the resources needed.

The Union also offers financial support for ensuring that the European transport infrastructure is better connected with that of the neighbouring countries. It does so mainly through two external instruments: the European Neighbourhood Policy Instrument (ENPI) and the Instrument of Pre-Accession Assistance (IPA).

To ensure that these funds are channelled towards projects that are beneficial both for the EU and for neighbouring countries, the Commission is working closely with neighbouring countries, Member States and International Financial Institutions to agree on common priorities and mobilise the necessary financing.
TEN-T CORE NETWORK
INCLUDING CORE NETWORK CORRIDORS


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