The Commission’s future spending plans in accordance with climate targets

Transport & Environment Event on EU Transport Spending
Brussels, 7 December

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The Connecting Europe Facility for Transport

- 20% CO₂ emissions from transport by 2030
  - Global solutions to reduce emissions (IMO, ICAO)
  - Polluter pays principle
  - Modal shift

**DECARBONISATION**

**SINGLE TRANSPORT AREA**

**DIGITALISATION**

- Deployment of connected vehicles on European roads by 2019
  - Intelligent Transport Systems (ERTMS, SESAR, VTMIS, RIS)
  - Collaborative Economy
  - Drones

**GLOBAL LEADERSHIP**

**INVESTMENT**

- Innovative financing mechanisms (EFSI)
- Infrastructure investment (CEF)
- Strategic Research and Innovation

CEF €24 bn for 2014-2020

**PEOPLE**

- Safety and Security
- Passenger Rights
- Jobs

Halving road deaths by 2020
• **Paris Declaration on Electro-Mobility and Climate Change and call to action:**
  - Call for joint efforts – at least 20 percent of all road vehicles to be electrically powered by 2030

• **European Strategy for Low-Emission Mobility**
  - Underlines relevance of speeding up clean (alternative fueled) buses

• **From demonstration to deployment: the new Cleaner Transport Facility**
Historical Transport Infrastructure Investment in EU 28
Solutions

- More systemic use of **innovative financing**
- EIB target: at least 40% of EFSI 2.0 financing in line with **COP21 objectives**
- CEF Debt Instrument & EFSI financial instruments (e.g. green shipping) should be considered for **projects with potential revenues**
- **Advisory Hub (ELENA)** for advisory and technical support
- **Blending EIB/EFSI financing, NPBs and other investors and CEF grants** is a possibility, with CEF grants to support the remaining funding gap
CEF structure, state of play and green credentials

Total CEF Transport budget: €24.05 billion

€22.4 billion for grants (blending with FIs)

CEF TRANSPORT (2014-2020)

- Cohesion: €11.3 billion
  - Awarded: €10.2 billion
  - Remaining: €1.1 billion
- General: €11.1 billion
  - Awarded: €9.3 billion
  - Remaining: €1.8 billion

€1.55 billion for Financial Instruments (CEF-Debt Instrument)
Deploying sustainable and efficient transport

More than €300 million in CEF funding, which resulted in a total investment of more than €600 million in 2014-2015.

€187 million invested to deploy 650 additional supply points for alternative fuel along the TEN-T road network by 2020.

CEF funding: €107 million

175 rail projects
EU investment: €14.6 billion for 2014-2020. 75% of the CEF transport funding awarded.
CEF budget vs EU's investment needs in transport

- Across the EU, the demand for investments is much higher than the available funding: EUR 740 billion investment needed on the TEN-T until 2030.
- Promoters must find new ways to finance infrastructure—> financial instruments (CEF debt, EFSI...).
### 2016 CEF Transport Calls: €1 449.5 million

<table>
<thead>
<tr>
<th>MAP</th>
<th>AWP</th>
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<tbody>
<tr>
<td><strong>General envelope: €650 million:</strong></td>
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<tr>
<td>- SESAR (€300 million)</td>
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<td>- ITS (€120 million)</td>
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<td>- Innovation (€80 million)</td>
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<td>- ERTMS (€70 million)</td>
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<td>- Core Network urban nodes (€40 million)</td>
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<td>- Motorways of the Sea (€40 million)</td>
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<td><strong>Cohesion envelope: €849.5 million</strong></td>
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<td>- Infrastructure projects on the TEN-T Core Network in sustainable modes of transport (Annex I of CEF Regulation)</td>
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<td>- Horizontal priorities</td>
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<tr>
<th><strong>AWP</strong></th>
<th><strong>General envelope: €190 million</strong></th>
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<tr>
<td>- Freight transport services (€20 million)</td>
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<td>- Rail freight noise (€20 million)</td>
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<td>- Cross-border infrastructure projects on both comprehensive &amp; core TEN-T not pre-identified in Annex I of CEF Regulation (€110 million)</td>
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<td>- Cross-border connections to neighbouring countries (€40 million)</td>
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| **Cohesion envelope: €250 million** |
| - Infrastructure projects on core TEN-T which are not pre-identified in Annex I of CEF Regulation (€250 million) |
## 2016 CEF Transport Calls

### Indicative timetable

<table>
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<th>MAP AND AP CALLS</th>
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<tr>
<td>Adoption of the CEF WPs 2016</td>
<td>Before 7 October 2016</td>
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<td>Publication of Calls</td>
<td>13 October 2016</td>
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<td>Calls deadline</td>
<td>7 February 2017</td>
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<td>Evaluation</td>
<td>February – May 2017</td>
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<td>Presentation to CEF Committee</td>
<td>June 2017</td>
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<td>Adoption of Selection Decision</td>
<td>July 2017</td>
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<td>Preparation and signature of Grant Agreements</td>
<td>From August 2017</td>
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CEF Blending Call

Context and objectives

- Boost the EFSI transport pipeline and attract private finance

Approach (timeline, duration, processes, criteria etc.)

- Blending €1 billion of CEF grants with EFSI financing
- Expected launch early 2017
The Commission is willing to **push forward a deployment initiative on clean (alternative fuels) buses and related infrastructures in urban areas**, by:

- **Supporting work on major procurement principles** between cities, operators & manufacturers and create a platform for matching supply and demand;
- **Supporting a pipeline of projects** through better use of existing funds (European Structural Investment Funds), Technical Assistance Facilities (European Investment Advisory Hub, Jaspers and ELENA);
- **Accelerating Investment**: Setting up a Cleaner Transport Facility jointly with the EIB, with emphasis on clean (alternative fuels) buses.
Cleaner Transport Facility (CTF) 1/2
Launched at TTE Council December 1st

- **One-stop shop** to support accelerated deployment of cleaner transport vehicles and their associated charging and refuelling infrastructure (**alternative fuels under Directive 2014/94**).
- Focus on life-cycle cost models **involving risk-sharing financial instruments leveraging private sector funds**.
- Financing through **the EIB, European Fund for Strategic Investment (EFSI) and the Connecting Europe Facility (CEF)**.
- The European Investment Advisory Hub (EIAH) free for public entities + New ELENA 2016/2017 (+ €15 million from the transport H2020 budget) with grant funding for technical assistance.
Cleaner Transport Facility (CTF) 2/2
Example: upgrade tram system and green buses (Latvia)

- EIB loan of **€75 million** combined with CEF grant of **€8 million** and commercial finance
- Upgrade tram system: new rolling stock & infrastructure
- Purchase of 10 new hydrogen fuel cell buses
- Purchase of 10 new trolleybuses with hydrogen fuel cell range extenders
- Purchase of associated refuelling infrastructure
THANK YOU FOR YOUR ATTENTION

MORE INFORMATION AVAILABLE AT

http://ec.europa.eu/transport
http://ec.europa.eu/invest-eu
http://www.eib.org/invest-eu
https://ec.europa.eu/inea

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