



Update on the Connecting Europe Facility after 2020

BACKGROUND

As stipulated in Regulation (EU) No 1316/2013 of the European Parliament and of the Council of 11 December 2013 establishing the Connecting Europe Facility (CEF), the European Commission has published, on 6 June 2018, its proposals concerning the review of this programme for the period beyond 2020.

The publication of the Commission's proposals set in motion the work of the European Parliament and of the Council, in the framework of the ordinary legislative procedure of the European Union.

The CEF review is of considerable importance for the CPMR's members given that it establishes the eligibility criteria and co-financing rates for EU transport projects.

CPMR has been preparing its contribution to the CEF review since 2017. Its Political Bureau identified the key principles to be included in the Regulation and the amendments to be made to the Annex establishing the alignments of the nine TEN-T core network priority corridors.

This paper provides an update on the work of the European institutions, and assesses the extent to which the principles defended by the CPMR have been taken into account in the European Commission's proposals.

IN BRIEF

Some significant progress:

- A better co-financing rate for the comprehensive network;
- Several significant improvements in the alignments of the nine core network corridors;
- Greater recognition of the challenges facing the outermost regions.

Some outstanding points:

- The proposal on “military mobility” remains somewhat vague, resulting in a lack of clear information about the funding that will be available for the regions;
- At this stage it is risky to anticipate the result of the negotiations on the distribution of the financial envelope.

Some continuing omissions:

- Territorial accessibility remains absent from the CEF. As a result, it is not possible to fully address the challenges facing the peripheral and maritime regions;
- The governance mechanisms of the Programme and its relationship with the other funds need to be improved;
- Strong support needs to be provided for ports and for maritime transport, not only to improve the peripheral maritime regions’ accessibility but also to combat road congestion and climate change.

1. Update on the negotiations

1.1. The overall CEF review timetable

The European Commission’s proposal marked the starting point of a very ambitious timetable intended to culminate in the rapid adoption of the CEF 2021-2027.

The aim is that the European institutions should ideally be ready to launch a trilogue before the European Parliament elections take place in May 2019. The European Parliament started its work in July 2018 (see point 1.2.) and published a draft report over the summer. The Council started its work in September.

At this stage, it appears that it will be very difficult to keep to this timetable. The fact that the Parliament started its work very quickly would appear to indicate that it could be ready in time, However there are two key elements which pose a problem:

- Agreement within the European Parliament is also dependent on other reports, notably that on the EU Budget and on the Regulation on Common Provisions;
- The Council does not appear to share the Parliament’s and the Commission’s sense of urgency. In addition, it would be complicated for the Council to reach agreement between now and spring 2019 given that its actual working time during this period will be heavily compressed due to the European Parliament elections.

1.2. Spotlight on the work of the European Parliament

As soon as the proposal for the renewed Programme was published on 6 June, the European Parliament's adopted a very tight timetable:

- 14 June – Referral to the European Parliament Committees, first reading / single reading;
- 18 June – Nomination of three rapporteurs: Henna Virkkunen (PPE, Finland), Marian-Jan Marinescu (PPE, Romania), Pavel Telicka (ALDE, Czech Republic)
- 5 July – Announcement in plenary of the referral to a joint committee (ITRE-TRAN)
- 29 August – Presentation of the draft report
- 13 September – Deadline for submission of amendments
- 25 October – Committee vote scheduled, first reading / single reading.

The rapporteurs were under the pressure of time constraints to deliver their draft report by 10 July, so that it could be translated for presentation at the end of August. This workflow at the Parliament had several consequences on the content of the draft report published in August:

- The rapporteurs were obliged to concentrate on those points on which consensus among them was greatest, thus limiting the issues touched on in the report and leaving certain items to one side;
- The draft report hardly touches on the annexes to the proposed Regulation;
- The rapporteurs concentrated in particular on the framing of actions relating to military mobility.

The CPMR's transport working group has drawn up a list of amendments which have been submitted to MEPs with the help of member Regions. These amendments were drawn up on the basis of the 2017 Policy Positions and the CPMR's 2017 Final Declaration.

1.3. Spotlight on the work of the Member States

The Council does not therefore appear to share the same sense of urgency as the Commission and the Parliament. It faces scheduling difficulties which compromise its chances of reaching a consolidated position enabling the trilogue to begin before the European Parliament elections. The Council will have to stop its work during February 2019 in order to prepare the March General Affairs Council.

The first working meeting of the Council to examine the CEF was held at the beginning of September. It is therefore too early to try to predict what its exact positions will be during the trilogue. Any such anticipation is also risky because of the fact that Member States are divided over some issues, such as military mobility for example.

2. The principles supported by CPMR for the CEF II

2.1. Introduce territorial cohesion into the future Regulation

In its March 2017 policy position, CPMR noted that the CEF Regulation 1316/2013 contravened Article 4 of the TEN-T Regulation 1315/2013 which states that its aim is to contribute to the *“accessibility and connectivity of all regions of the Union, including remote, outermost, insular, peripheral and mountainous regions, as well as sparsely populated areas”* in order to contribute to *“social, economic and territorial cohesion of the Union”*.

CPMR therefore proposed:

- To include in the revised Regulation an additional objective of accessibility and connectivity for all regions of the Union;
- To introduce a specific provision for “accessibility” projects, aiming to increase the amount of financial support for such projects;
- Allocate a minimum percentage of the revised CEF to the completion of the TEN-T comprehensive network. This percentage should be equivalent to at least 5% of the envelope allocated to transport in the CEF 2014-2020;
- A series of amendments to the Annex of the CEF establishing the routes of the nine priority corridors and the list of the “other priority sections” of the TEN-T core network.

The European Commission, in its proposal for the CEF 2021-2027:

- Does not include territorial accessibility in the list of the Programme’s objectives, as set out in Article 3;
- Does not make reference to territorial accessibility in the list of award criteria in the context of Article 13¹;
- Provides that 15% of the envelope earmarked for infrastructure should be allocated to the comprehensive network, guaranteeing that it would receive a minimum of 9% of the CEF’s “transport” envelope. The envelope allocated to military mobility could also contribute to projects carried out on the comprehensive network.
- Provides for an increase in co-financing rates for actions carried out in the outermost regions under Article 14 of the proposed Regulation. This provision increases the co-financing rate from 30% (the maximum rate applying in the transport sector) to a maximum of 50%.

The CPMR’s reaction:

- ✚ The CEF’s increased support for the comprehensive network is a victory for CPMR, even if the lack of detail on how the envelope allocated to military mobility will be used means we cannot anticipate its impact on the peripheral and maritime regions.
- ✚ New corridor alignments proposed in the Annex to the Regulation are in line with the amendments the CPMR strongly supported, and they significantly improve the accessibility of certain Regions. It is to be regretted however that other alignments called for by CPMR have not been included, and also that maritime services remain absent from the pre-identified cross-border sections.
- ✚ CPMR will pursue its efforts to have accessibility included as a pillar of the CEF. To do this, it will continue to work with its members on drawing up an objective definition of an accessibility criterion.

¹ The mention of accessibility in point (b) refers to access for people with disabilities.

2.2. Strengthen support for maritime transport

CPMR, by its very nature, stands for the defence of maritime issues and interests. It has consistently advocated that European transport policies strong support for ports and for maritime transport.

CPMR therefore proposed:

- That the Programme recognise ports as cross-border entities, acting as bridges across maritime borders. This recognition would have a positive impact on co-financing rates for port projects. CPMR suggested that the ports of the comprehensive network could automatically benefit from the rate granted to cross-border operations, and that for the other ports the co-financing rate could vary depending on their degree of accessibility;
- That the Programme provide greater support for the Motorways of the Sea, with remote, outermost, island and peripheral regions benefiting from a maximum co-financing rate (50%);
- That steps be taken towards the creation of a European instrument specifically for maritime transport, in order to encourage the development of links with and between peripheral regions. This instrument could also encourage modal shift towards maritime transport and thus help to achieve the Union's climate change commitments and objectives.

The European Commission, in its proposal for the CEF 2021-2027:

- Maintains the eligibility of actions in support of the Motorways of the Sea as well as actions relating to maritime and river ports of the core network and of the comprehensive network. However, the proposed Programme does not consider maritime links or ports as cross-border;
- Does not provide for any specific support for operations aiming to encourage a modal shift towards maritime transport.

The CPMR's reaction:

- ✚ CPMR recognises that the wide diversity of port situations and their financial capacities makes the creation of a single category unrealistic. Nevertheless, ports are of capital importance for the economic and social development of many Regions. The Programme should therefore include a provision allowing increased co-financing rates for port operations and Motorways of the Sea which contribute to the economic, social and territorial cohesion of the Union.
- ✚ The Programme does not provide for the financing of maritime transport services. These can only be financed by state aid, and cannot receive EU support. CPMR will therefore keep a close eye on any initiatives resulting from the conclusions of the MedAtlantic Ecobonus project.

2.3. Improve the governance of the Programme

CPRM has called strongly for modifications to the governance of the CEF, in order to simplify the process of submitting projects and to involve the Regions in the selection procedure. CPMR's proposals aimed in particular at:

- Removing the constraint consisting in the requirement to obtain prior Member State approval when submitting projects for CEF funding. CPMR considers this makes the implementation of the CEF more complex and less efficient;
- Involving the Regional Authorities in the implementation of the CEF, notably with regard to the procedure for adopting working programmes;
- Improving the coordination between the different funds which provide support for “transport” projects carried out by the Regions.

The European Commission, in its proposal for the CEF 2021-2027:

- Introduces the requirement, in its Article 11 concerning work programmes, for project leaders to obtain Member State agreement for their project proposal;
- Establishes that work programmes will be adopted in the framework of the committee procedure as defined in Regulation (EU) No 182/2011. This means that the Regions are not involved;
- Provides answers in terms of coordination between the General Directorates of the European Commission in the implementation of the different funds. However, the CEF as proposed takes over control of the funds under shared management.

The CPMR’s reaction:

- ✚ The Commission’s proposal is a step in the right direction. However the project submission procedure needs to be simplified to allow project leaders to submit applications directly, without systematically having to be formally authorised by the Member State, so long as the interests of the territories do not contravene the national interest;
- ✚ There is a clear trend towards promoting funds under direct management to the detriment of funds under shared management. This trend is justified by the European Commission for reasons of efficiency, but it nonetheless compromises some of the key principles of European integration, such as subsidiarity, and risks alienating the Union’s territories.

NEXT STEPS

CPMR welcomes the fact that several of its principles have been included in the CEF proposal for the 2021-2027 period.

It notes however the continuing absence of certain points. CPMR therefore proposes:

- To pursue its work with the European institutions in the context of the current CEF review. It invites member Regions wishing to do so to contact their Member State to communicate its messages;
- To pursue with its members the work on defining an objective accessibility criterion;
- To start as of now working on the TEN-T review planned for 2023 in order to improve the accessibility of its Regions and in particular to strengthen the Motorways of the Sea.

It takes note of the progress of the work of the European Commission intended to lead to a review of the TEN-T in 2023. This work has been kicked off with a consultation on the evaluation of the TEN-T guidelines, which closed on 11 October 2018. Consultations will be continued as follows:

- A public consultation which should be open from November 2018 to February 2019;
- A targeted consultation of appropriate stakeholders, in the form of an evaluation study due to be launched in autumn 2018;
- Various conferences, Member State committee work, Core Network Corridor Forums, and workshops on various themes.

CPMR will therefore:

- Keep its members regularly informed of the progress of the activities of the co-legislators. It will publish a progress report for the Political Bureau in March 2019;
- Organise a meeting of its Transport working group before the end of 2018 to begin preparing the work required to enable it to contribute to the work of the Commission and lead to the adoption of a Policy Position on the TEN-T review at the Political Bureau meeting in 2019.



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The Conference of Peripheral Maritime Regions (CPMR) brings together some 160 Regions from 25 States from the European Union and beyond.

Representing about 200 million people, the CPMR campaigns in favour of a more balanced development of the European territory.

It operates both as a think tank and as a lobby group for Regions. It focuses mainly on social, economic and territorial cohesion, maritime policies and accessibility.

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Ref. : CRPMNTP180013