Connecting Europe Facility 2014-2020

2011/0302(COD) - 19/11/2013 - Text adopted by Parliament, 1st reading/single reading

The European Parliament adopted by 583 votes to 91 with 17 abstentions, a legislative resolution on the proposal for a regulation of the European Parliament and of the Council establishing the Connecting Europe Facility.

The Parliament adopted its position in first reading following the ordinary legislative procedure. The amendments adopted in plenary are the result of a compromise agreement between Parliament and Council. They amend the Commission proposal as follows:

Purpose and scope: Parliament clarified that the CEF should **better enable synergies** between the transport, telecommunications and energy sectors to be harnessed to the full, thus enhancing the effectiveness of Union action and enabling implementing costs to be optimised.

The creation of the Connecting Europe Facility (CEF) aimed to **accelerate investment** in the field of trans-European networks and to leverage funding from **both the public and the private sectors**, while increasing legal certainty and respecting the principle of technological neutrality.

General objectives: the CEF will:

- support the implementation of projects of common interest which aim at the development and construction of new infrastructures and services, or at the upgrading of existing infrastructures and services, in the transport, telecommunications and energy sectors ;
- give priority to missing links in the transport sector ;
- contribute to supporting projects with a **European added value** and significant societal benefits which do not receive adequate financing from the market ;
- contribute to the Europe 2020 Strategy, by developing trans-European networks which take into account expected future traffic flows, and creating an environment more conducive to private, public or public-private investment;
- enable the Union to achieve its sustainable development targets, thus contributing to the Union's mid-term and long-term objectives in terms of decarbonisation.

1) In the transport sector, Union support would go to projects of common interest, that pursue the following objectives: (i) removing bottlenecks, bridging missing links and, in particular, improving cross-border sections; (ii) 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 ; (iii) optimising the integration and interconnection of transport modes and enhancing the interoperability of transport services, while ensuring the accessibility of transport infrastructures

2) In the energy sector, financial support was aimed to: (i): increase competitiveness by promoting the further integration of the internal energy market and the interoperability of electricity and gas networks across borders; (ii) enhancing Union security of energy supply; (iii) contributing to sustainable development by the integration of energy from renewable sources into the transmission network, and by the development of smart energy networks and carbon dioxide networks.

In the first two annual work programmes, priority consideration would be given to projects of common interest and related actions aimed at ending energy isolation and eliminating energy bottlenecks, and at the completion of the internal energy market.

To enhance the multiplier effect of Union financial assistance, the Commission should, subject to market take-up, endeavour to give priority to the use of financial instruments whenever appropriate.

3) In the telecommunications sector, the CEF shall support actions that pursue the objectives specified in a Regulation on guidelines for trans-European networks in the area of telecommunications infrastructure.

Union financial assistance should be granted, as follows:

- generic services, core service platforms and programme support actions to be financed though grants and/or procurement;
- actions in the field of broadband networks to be financed through financial instruments.

Budget: the financial envelope for the implementation of the CEF for the period 2014 to 2020 was set at **EUR 33 242 259 000** in current prices. That amount was to be distributed as follows:

- **transport sector**: EUR 26 250 582 000, of which EUR 11 305 500 000 would be transferred from the Cohesion Fund to be spent in line with this Regulation exclusively in Member States eligible for funding from the Cohesion Fund;
- **telecommunications sector: EUR 1 141 602 000**;
- **energy sector**: EUR 5 850 075 000.

Following the mid-term evaluation, the European Parliament and the Council may, upon a proposal by the Commission, transfer appropriations between the transport, telecommunications and energy sectors of the allocations, with the exception of the amount of EUR 11 305 500 000 transferred from the Cohesion Fund to finance transport sector projects in the Cohesion Fund-eligible Member States.

Conditions of participation: according to the amended text, proposals must be submitted by **one or more Member States** or, with the agreement of the Member States concerned, by international organisations, joint undertakings, or public or private undertakings or bodies established in Member States.

Financial instruments: these must be used to address specific market needs, for actions that have a clear European added value and **should not crowd out private financing**. They must improve the leverage effect of the Union budget spending and achieve a higher multiplier effect in terms of attracting private-sector financing.

The overall contribution from the Union budget to the financial instruments shall not exceed 10 % of the overall financial envelope of the CEF.

Report: no later than 31 December 2017, the Commission must prepare an evaluation report to be presented to the European Parliament and the Council on the achievement of the objectives of all the measures (at the level of results and impacts), the efficiency of the use of resources and the European added value of the CEF, with a view to deciding on the renewal, modification or suspension of the measures. The evaluation report must include an assessment of the economies of scale made by the Commission at a financial, technical and human level when managing the CEF and, where applicable, of the total number of projects harnessing the synergies between the sectors.