

Procedure file

| Basic information | |
|---|---------------------|
| <p>COD - Ordinary legislative procedure (ex-codecision procedure) 2004/0157(COD) Regulation</p> | Procedure completed |
| <p>Programme Marco Polo II (2007-2013), financial assistance to improve the environmental performance of freight transport</p> <p>Repealing Regulation (EC) No 1382/2003 2002/0038(COD) Amended by 2008/0239(COD)</p> | |
| <p>Subject</p> <p>3.20.02 Rail transport: passengers and freight 3.20.03 Maritime transport: passengers and freight 3.20.04 Inland waterway transport 3.20.07 Combined transport, multimodal transport 3.70.02 Atmospheric pollution, motor vehicle pollution 3.70.20 Sustainable development</p> | |

| Key players | | | |
|-------------------------------|--|---|------------|
| European Parliament | Committee responsible | Rapporteur | Appointed |
| | TRAN Transport and Tourism | | 07/09/2004 |
| | | PPE-DE RACK Reinhard | |
| | Committee for opinion | Rapporteur for opinion | Appointed |
| | ENVI Environment, Public Health and Food Safety | The committee decided not to give an opinion. | |
| | CONT Budgetary Control | The committee decided not to give an opinion. | |
| | BUDG Budgets | | 26/10/2004 |
| | | PPE-DE LEWANDOWSKI Janusz | |
| Council of the European Union | Council configuration | Meeting | Date |
| | Transport, Telecommunications and Energy | 2754 | 12/10/2006 |
| | Transport, Telecommunications and Energy | 2654 | 21/04/2005 |
| European Commission | Commission DG | Commissioner | |
| | Energy and Transport | BARROT Jacques | |

| Key events | | | |
|------------|---|---|---------|
| 13/07/2004 | Legislative proposal published | COM(2004)0478 | Summary |
| 22/02/2005 | Committee referral announced in Parliament, 1st reading | | |
| 21/04/2005 | Debate in Council | 2654 | Summary |
| 22/11/2005 | Vote in committee, 1st reading | | Summary |
| 15/12/2005 | Committee report tabled for plenary, 1st reading | A6-0408/2005 | |
| 16/05/2006 | Debate in Parliament |  | |

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|------------|---|---|---------|
| 17/05/2006 | Results of vote in Parliament |  | |
| 17/05/2006 | Decision by Parliament, 1st reading | T6-0211/2006 | Summary |
| 12/10/2006 | Act adopted by Council after Parliament's 1st reading | | |
| 24/10/2006 | Final act signed | | |
| 24/10/2006 | End of procedure in Parliament | | |
| 24/11/2006 | Final act published in Official Journal | | |

Technical information

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|----------------------------|--|
| Procedure reference | 2004/0157(COD) |
| Procedure type | COD - Ordinary legislative procedure (ex-codecision procedure) |
| Procedure subtype | Legislation |
| Legislative instrument | Regulation |
| | Repealing Regulation (EC) No 1382/2003 2002/0038(COD) Amended by 2008/0239(COD) |
| Legal basis | EC Treaty (after Amsterdam) EC 071-p1; EC Treaty (after Amsterdam) EC 080-p2 |
| Stage reached in procedure | Procedure completed |
| Committee dossier | TRAN/6/22756 |

Documentation gateway

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|---|-------------|---|------------|-----|---------|
| Legislative proposal | | COM(2004)0478 | 14/07/2004 | EC | Summary |
| Economic and Social Committee: opinion, report | | CES0247/2005 OJ C 234 22.09.2005, p. 0019-0024 | 09/03/2005 | ESC | |
| Committee draft report | | PE357.916 | 01/06/2005 | EP | |
| Amendments tabled in committee | | PE360.198 | 04/07/2005 | EP | |
| Committee opinion | BUDG | PE360.048 | 14/07/2005 | EP | |
| Committee report tabled for plenary, 1st reading/single reading | | A6-0408/2005 | 15/12/2005 | EP | |
| Text adopted by Parliament, 1st reading/single reading | | T6-0211/2006 | 17/05/2006 | EP | Summary |
| Commission response to text adopted in plenary | | SP(2006)2902 | 22/06/2006 | EC | |
| Draft final act | | 03620/4/2006 | 24/10/2006 | CSL | |
| Follow-up document | | COM(2007)0770 | 05/12/2007 | EC | Summary |
| Follow-up document | | COM(2013)0278 | 14/05/2013 | EC | Summary |
| Follow-up document | | SWD(2013)0174 | 14/05/2013 | EC | |

Additional information

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| European Commission | EUR-Lex |
|---------------------|-------------------------|

Programme Marco Polo II (2007-2013), financial assistance to improve the environmental performance of freight transport

PURPOSE : to establish a financing instrument, "Marco Polo II Programme", in order to reduce congestion, to improve the environmental performance of the transport system and to enhance intermodal transport, thereby contributing to an efficient and sustainable transport system. The duration of the Programme shall be from 1 January 2007 to 31 December 2013.

PROPOSED ACT : Regulation of the European Parliament and of the Council.

CONTENT : Europe's transport system faces considerable challenges in the next decade.

The forecast increase of road freight by 2013 is more than 60% in the European Union, and a doubling is foreseen for the 10 new member states by 2020. The results are congestion, environmental degradation, accidents, and a danger of loss of competitiveness of European industry, which needs to rely, for the management of its supply chains, on cost-efficient and reliable transportation systems. In this situation, a stronger reliance on intermodality is necessary.

Responding to the big challenges mentioned above, a renewed and adapted "Marco Polo II" Programme is proposed for the next financial perspectives (2007 ? 2013). Relying on the proven mechanisms of the current programme, the Commission proposes two new types of action: Motorways of the Sea and Traffic Avoidance actions. They should actually lead to a reduction in international road freight, much desired by our citizens and industrial transport users alike. Marco Polo II also enlarges the scope of the programme to all neighbours of the European Union. It stresses the role of rail freight and clarifies the scope for certain infrastructure measures.

Based on an independent ex-ante evaluation, the Commission proposes an overall budgetary envelope of 740 million EUR for the period 2007 ? 2013, i.e. roughly 106 million EUR per year. This will shift more than 140 billion tonne-kilometres of freight off the road (equivalent to 7 million truck journeys of 1000 kilometres) and will reduce CO2 emissions by 8400 million kg.

In terms of avoided environmental damage and less accidents, less energy consumption and less infrastructure damage, the benefits are forecast to be about 5 billion EUR. 1 Euro subsidy given in Marco Polo II will thus generate more than 6 Euro in terms of social and environmental benefits to our society.

FINANCIAL IMPLICATIONS :

- Budget line and headings :

- EX-06.0207 : Programme Marco Polo;

- EX-06.01 04 01 : Programme Marco Polo ? administrative management expenses;

- Period of application : 2007 ? 2013.

- Total allocation for action (Part b): EUR 740 million for commitment. The decision by the legislative authority is taken without prejudice of the budgetary decisions taken in the context of the annual procedure.

- Impact on human resources : EUR 13 million in total, which is approximately EUR 1,8 million per year.

Programme Marco Polo II (2007-2013), financial assistance to improve the environmental performance of freight transport

Pending the first reading in the European Parliament, the Council¹ unanimously adopted a partial general approach on the proposal for a Regulation establishing the second "Marco Polo" programme (2007-2013) for the granting of Community financial assistance to improve the environmental performance of the freight transport system. It is a partial general approach because the Council will not adopt a decision on the budgetary envelope for the programme until a decision has been taken on the financial perspective for the period 2007-2013.

The Council agreed to alter the general level of contract value and traffic shift thresholds as follows:

- Catalyst : EUR 2 million (EUR 3 million proposed by the Commission) ;

- Motorways of the sea : EUR 2,5 million; EUR 1,25 billion tonnes/km (EUR 4 billion and EUR 2 billion tonnes/km proposed by the Commission);

- Modal shift : EUR 0,5 million; 250 000 tonnes/km (EUR 1 million and 500 000 tonnes/km proposed by the Commission);

- Traffic avoidance : EUR 1 million; 500 000 tonnes/km (no changes);

- Common learning : EUR 250 000 (no changes).

Programme Marco Polo II (2007-2013), financial assistance to improve the environmental

performance of freight transport

The committee adopted the report by Reinhard RACK (EPP-ED, AT) amending - under the 1st reading of the codecision procedure - the proposed regulation establishing the second "Marco Polo" programme for improving the environmental performance of the freight transport system. The main amendments were as follows:

- as projects in the inland waterways sector are often not on a large enough scale to reach the minimum support threshold, the programme should stipulate that "several coordinated projects" may count as eligible actions;
- a number of amendments sought to reduce the minimum subsidy thresholds for the various categories of actions, thereby enabling more SMEs to participate;
- "freight tonne-kilometres" should be fixed as the evaluation criterion, rather than "tonne-kilometres", on account of the high proportion of volume goods, which tend to be bulky and limited in weight, and which account for the majority of vehicle-kilometres on roads. MEPs argued that transferring light goods from road to other modes would have a drastic impact on the number of trucks on the roads;
- the committee wanted it to be possible for projects to be submitted by a regional authority of a Member State or an intermediary organisation, thereby making things simpler and less burdensome for SMEs. Financial assistance contracts should also keep administrative burdens to a minimum;
- the exchange of best practice should be encouraged;
- if the results of the ex-post evaluation of the 'Marco Polo I' programme reveal a need to adjust the programme, provision should be made for the Commission to submit proposals accordingly.

Programme Marco Polo II (2007-2013), financial assistance to improve the environmental performance of freight transport

The European Parliament adopted a resolution drafted by Reinhard RACK (EPP-ED, AT) which includes a series of compromise amendments negotiated between the main political groups, and on which an agreement has been reached with the Council and Commission. The main changes compared with the Commission's initial proposal concern the budget allocated to the programme. Following the agreement on the 2007-2013 financial perspective, the programme's budget will be EUR 400 million and not 740 million as proposed by the Commission. This amount is based on 2004 figures and shall be subject to technical adjustment to take account of inflation. Other amendments lower the project subsidy thresholds proposed by the Commission as a means of facilitating the participation of small and medium-sized enterprises, and place greater emphasis on sensitive regions. There is in general a clear emphasis on the needs of SMEs in the amended version as opposed to the initial proposal.

The main amendments are as follows:

- Actions should not cause distortions of competition, in particular, between modes of transport other than road transport or within each alternative mode, to an extent contrary to the common interest. Special care should be taken to avoid such distortions, so that actions contribute to shifting freight from road transport to alternative modes, rather than withdrawing freight from an existing rail, short sea shipping or inland waterway service.
- Special attention should also be paid to sensitive and metropolitan areas within the geographic scope of the Programme when allocating funding.
- Financial assistance shall be based on contracts to be negotiated by the Commission and the beneficiary. The terms and conditions of those contracts shall, as far as possible, keep financial and administrative burdens to a minimum, for example by facilitating business-friendly bank guarantees, contemplated by applicable rules and regulations, especially the Financial Regulation, so as to achieve maximum administrative efficiency and flexibility.
- The Programme shall be subject to both mid-term and final evaluations in order to assess its contribution to the objectives of Community transport policy and the effective use made of the appropriations.
- In the case of a transport link with a close third country, projects may in exceptional cases, be submitted by one undertaking of a Member State.
- A number of amendments sought to reduce the minimum subsidy thresholds for the various categories of actions, thereby enabling more SMEs to participate. The minimum indicative subsidy threshold per MoS (Motorway of the Sea) action will be 1.25 billion tonne-kilometres or its volumetric equivalent of modal shift or, in proportion to the indicative amount per euro of subsidy, EUR 250 million. The Commission had proposed 2 billion tonne-kilometres of modal shift or, in proportion to the indicative amount per euro of subsidy, EUR 4 000 000. The minimum indicative subsidy threshold per modal shift action will be 250 million tonne-kilometres or its volumetric equivalent of modal shift or, in proportion to the indicative amount per euro of subsidy, EUR 500 000. The Commission had proposed 500 million tonne-kilometres of modal shift or, in proportion to the indicative amount per euro of subsidy, EUR 1 000 000. The minimum indicative subsidy threshold per catalyst action will be EUR 2 000 000 (as opposed to EUR 3 000 000).
- Community financial assistance for traffic avoidance actions must not be used to support business or production activities which bear no direct relation to transport or distribution.
- The exchange of best practice should be encouraged.
- If the results of the ex-post evaluation of the 'Marco Polo I' programme reveal a need to adjust the programme, provision should be made for the Commission to submit proposals accordingly.

Programme Marco Polo II (2007-2013), financial assistance to improve the environmental performance of freight transport

PURPOSE: to establish the second 'Marco Polo' programme for the granting of Community financial assistance to improve the environmental performance of the freight transport system (Marco Polo II) and repealing Regulation 1382/2003/EC.

LEGISLATIVE ACT: Regulation 1692/2006/EC of the European Parliament and of the Council establishing the second 'Marco Polo' programme and repealing Regulation 1382/2003/EC.

CONTENT: the Council adopted a Regulation establishing the second Marco Polo programme for the granting of Community financial assistance to improve the environmental performance of the freight transport system.

The Marco Polo II programme covers the period 2007-2013 and amounts to an expanded version of the first programme. As compared to the first programme, its geographical coverage is broader and it proposes two new types of action: motorways of the sea and traffic avoidance actions.

The programme is aimed at enhancing intermodality, reducing road congestion and improving the environmental performance of the freight transport system within the EU.

To achieve this objective, the programme will support actions in the freight transport, logistics and other relevant markets, taking into account the needs of small and medium-sized enterprises. It will help to shift at least the expected aggregate increase in international road freight traffic, measured in tonne-kilometres, to short sea shipping, rail and inland waterway transport or to a combination of modes of transport in which road journeys are as short as possible.

The five types of actions eligible for financing under the Marco Polo II programme are the following: catalyst actions, motorways of the sea actions, modal shift actions, traffic avoidance actions and common learning actions.

As regards state aid, Community financial assistance for the actions covered by the Programme shall not prevent those actions from being granted State aid at national, regional or local level, insofar as such aid is compatible with the State-aid arrangements laid down in the Treaty and within the cumulative limits established for each type of action. The total aid granted in the form of State aid and Community financial assistance in respect of ancillary infrastructure shall not exceed 50 % of eligible costs.

The general level of contract value and traffic shift thresholds are set at EUR 2 million per catalyst action, at EUR 2,5 million for motorways of the sea action, at EUR 0,5 million for modal shift action, at EUR 1 million for traffic avoidance actions and EUR 250 000 for common learning actions.

The financial envelope allocated to the programme is set at EUR 400 million (at 2004 prices).

ENTRY INTO FORCE: 14.12.2006.

Programme Marco Polo II (2007-2013), financial assistance to improve the environmental performance of freight transport

Article 14 of Regulation 1692/2006 provides that the Commission shall present to the European Parliament, the Council, the European Economic and Social Committee and the Committee of Regions a Communication on the results achieved by the Marco Polo programmes for the period 2003-2010. Its main conclusions are as follows:

The performance of the programmes was assessed in the framework of an external evaluation. For the needs of the Communication, the findings of the evaluation have subsequently been updated with additional information, including operational data obtained up till November 2012. Further, the Communication provides a general outlook on the next steps and the approach towards support for innovative and sustainable freight transport services in the period covered by the next Multi-annual Financial Framework (MFF) 2014-2020. The Marco Polo programmes were set up as funding instruments to reduce road congestion and to improve the environmental performance of the freight transport system. Unique and important features of the programme are its transparency, the precision with which results can be measured and the direct relationship between EU funding and the results obtained.

The already completed Marco Polo I programme generated around EUR 434 million in environmental benefits, removing 21.9 billion tonne-kilometres of freight off European roads. Further significant modal shift and related benefits are expected for the on-going Marco Polo II programme. However, the ambitious objectives of modal shift set by the legislator have not been fully achieved (46% of planned modal shift for Marco Polo I). Furthermore, the programmes are considered as rather complex, and in some cases not easy to be used by the European companies.

Nonetheless, it should be highlighted that Marco Polo is based on quantifiable results and payments are made almost exclusively for the modal shift actually realised. What is more, market conditions and the economic situation are important elements in determining the success of projects. Since intermodal transport solutions are more complex and difficult to implement than a pure road transportation system, the programme has been particularly sensitive to the effects of the economic crisis. Hence, Marco Polo represents a good example of efficient use of the EU funds even if the programme's objectives have not been fully met and the allocated budget has not been entirely spent.

Provision of public funding directly to the market raised also some competition concerns during the lifecycle of the programme. On the other hand, there was no clear evidence about any significant adverse competition effects of financed projects.

Marco Polo is currently the only European funding instrument focused on the improvement of efficiency of freight transport. Therefore continued support is considered useful and appropriate. However, any new scheme supporting sustainable freight transport services will need to reflect on the lessons learnt from the previous programmes.

Next steps:

Transport policy context: in March 2011, the Commission issued [White Paper on Transport](#). Amongst the main targets for the EU transport

policy are: deployment of clean fuels, optimisation of the performance of multimodal logistic chains and use of more energy-efficient modes, increasing the efficiency of transport and of infrastructure use and the development of information systems and market-based incentives. The [new Trans-European Transport Network guidelines](#) (TEN-T) adopted by the Commission in October 2011, will provide main framework to achieve the transport policy objectives as specified in the 2011 White Paper.

For the Multiannual Financial Framework (MFF) 2014-2020, the Commission proposed two pillars to be retained for the provision of financial aid to EU transport policy.

- An infrastructure pillar will be covered within the [Connecting Europe Facility](#) (CEF). Within its transport component, the CEF is foreseen to upgrade Europe's transport infrastructure, build missing links and remove bottlenecks. Since funding will be concentrated on transport modes that are less polluting, broader deployment of telematics applications and use of innovative technologies, it will push the European transport system to become more sustainable.
- An innovation pillar will be implemented by relevant parts of the [new research and innovation programme](#) (Horizon 2020).

Support for the innovative and sustainable freight transport services - policy approach: with the objective of improving efficiency and sustainability of European freight transport and logistics, the Commission proposes a new approach in support of the freight transport services in the period 2014-2020. Based on the achieved results and taking account of the evolving policy context, the Marco Polo II programme will be discontinued in the current form. Instead, a follow-up of Marco Polo will be integrated within the revised TEN-T programme and implemented using funding instruments provided by the CEF. This approach will lead to a harmonised and coordinated implementation of the European transport policy. In this context, the follow-up of Marco Polo will contribute in particular to the efficient management and use of the transport infrastructure, allowing deployment of innovative and sustainable freight transport services on the multimodal core network, which is supposed to serve the most important European traffic flows.

These services should meet the needs of their users, be economically efficient, contribute to the objectives of low-carbon and clean transport, fuel security and environmental protection, be safe and secure and have high quality standards. They need to promote advanced technological and operational concepts and contribute to the improvement of accessibility within the Union. They also should play an important role in pushing the European economy towards sustainable growth, making the freight transport and logistics sector as one of Europe's growth engines, enhancing trade and the mobility of people, creating wealth and jobs and maintaining the competitiveness of European companies.