

OPINION Nr. 1/CI(MAR)-DGMOVE-CEF/AMT/2015

Addressee: DGMOVE/EC - CEF

Subject: Opinion on the draft document of “Commission Implementing Decision of XXX, amending Commission Implementing Decision C(2014) 1921 as amended by Decision C(2015) 2192 establishing a Multi-Annual Work Programme 2014 for financial assistance in the field of Connecting Europe Facility (CEF) - Transport sector for the period 2014-2020”

I. FRAMEWORK

The present Opinion states the position of the Portuguese Authority for Mobility and Transport (AMT) on the draft document for the “Commission Implementing Decision of XXX, amending Commission Implementing Decision C(2014) 1921 as amended by Decision C(2015) 2192 establishing a Multi-Annual Work Programme 2014 for financial assistance in the field of Connecting Europe Facility (CEF) - Transport sector for the period 2014-2020”.

The draft document for the Implementing Decision referred integrates the Annex I entitled “Annex II: Objectives and priorities of the CEF – Transport sector to be implemented by calls for proposals in 2015 and 2016 and to the Programme Support Actions funded from 2016 appropriations onwards” which is the specific purpose of this opinion.

The document was delivered by DGMOVE of the European Commission (EC), to the CEF Coordination Committee members regarding transport sector, in the e-mail of DGMOVE dated on 24th September 2015 (14h13), with the purpose to be discussed and voted in the next meeting of that committee scheduled for 30th September 2015.

II. ANALYSIS

The Annex I of draft document for the Implementing Decision refers to the objectives and priorities of the transport sector of the Connecting Europe Facility (CEF)¹, to be implemented by Calls for proposals in 2015 and 2016 and to the Programme Support Actions funded from 2016 appropriations onwards.

¹ CEF established by Regulation (EU) Nr. 1316/2015, of the European Parliament and of The Council, of 11 December 2013

The budget amount to be allocated to the Calls for proposals to be launched in 2015 and in 2016 and to the new Programme Support Actions on 2016 appropriations onwards, is purposed to be of € 7.597.695.000, of which:

- € 207.215.000 under the budget line 06020101 regarding removing bottlenecks and bridging missing links;
- € 75.780.000 under the budget line 06020102 regarding ensuring sustainable and efficient transport in the long run;
- € 842.700.000 under the budget line 06020103 regarding optimising the integration and interconnection of transport modes and enhancing interoperability, safety and security of transport;
- € 6.472.000.000 under the budget line 06020104 regarding Cohesion Fund allocation for CEF.

There is a sum inaccuracy, since the total referred in the draft document is € 7.625.695.000, so, or the total is wrong or one or more parcels is not accurate.

The Work Programme purposed in the DGMOVE draft document establishes the basis for the allocation of the European Union (EU) financial assistance to projects of common interest and to the Programme Support Actions in the field of transport sector of CEF. It is organised according to the following funding priorities, reflecting Part VI of Annex I of the CEF Regulation:

1. Funding priorities for the objective of bridging missing links, removing bottlenecks, enhancing rail interoperability, and, in particular, improving cross-border sections, broken down on the following parts:
 - 1.1. Pre-identified projects on the core network corridors, Annex I, part I point 2 of the CEF Regulation for the following transports modes: railways, inland waterways, roads, maritime and inland ports;
 - 1.2. Pre-identified projects on the other sections of the core network, Annex I, part I point 3 of the CEF Regulation for the following transports modes: railways, inland waterways, roads, maritime and inland ports;
 - 1.3. Rail interoperability including interoperability of the Rail Freight Corridors;
 - 1.4. European Rail Traffic Management Systems (ERTMS).

2. Funding priorities for the objective of 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 through transition to innovative low-carbon and energy-efficient transport technologies, while optimising safety, broken down on the following parts:
 - 2.1. Deployment of innovation and new technology actions in all transport modes, according to the TEN-T Guidelines, Art.33 (a to d);
 - 2.2. Safe and secure infrastructure, including safe and secure parking on the road core network.
3. Funding priorities for the objective of optimising the integration and interconnection of transport modes and enhancing the interoperability of transport services, while ensuring the accessibility of transport infrastructures, broken down on the following parts:
 - 3.1. Single European Sky (ESAR);
 - 3.2. River Information Services (RIS);
 - 3.3. Intelligent Transport Services for road (ITS);
 - 3.4. Motorways of the Sea (MoS);
 - 3.5. Actions implementing transport infrastructure in nodes of the core network, including urban nodes
 - 3.6. Connections to and development of multimodal logistic platforms
4. Programme support actions.

The funding priorities associated with pre-identified projects on the core network corridors, with pre-identified projects on the other sections of the core network, as Annex I, part I point 3 of the CEF Regulation, and with rail interoperability are opened only to the Cohesion Member States and, in the case of the first two, it is explicitly referred that they will be funded from the appropriations of the budget line 06020104 - Cohesion Fund allocation for CEF.

The remaining priorities are opened to all Member States, despite that in ITS for road there are specific actions only opened to Cohesion Member States.

The circumscribed scope of priorities to pre-identified projects on the core network corridors and on the other sections of the core network explicitly referred Annex I, part I point 3 of the CEF Regulation are applied to all transport modes, which don't enable the eligibility of the works phase of the project "Douro's Inland Waterway 2020" and which studies phase was selected for funding in the CEF 2014 Calls.

Another relevant issue is that no Annual CEF Calls are referred in the draft document presented by DGMOVE/EC, which reinforce the concern regarding the absence of funding, besides that if the Annual Call was available the budget would be much less and usually only covering projects of 3 years or shorter of implementation.

The Douro's Inland Waterway is the only Portuguese inland waterway in the TEN-T core network and the actions for its improvement are very relevant, improving the navigability of the Douro river, integrating inland navigation with maritime transport and ensuring safe, secure and high-quality standards, freight transport.

Although Douro's Inland Waterway is not a specific section of a core corridor or other section specifically referred in Annex I, part I point 3 of the CEF Regulation, it's a feeding section for the Atlantic Corridor and its improvement will namely boost traffic flows in the corridor, contributing to a better connection between the Atlantic front and the rest of Europe, supporting economic growth and modal shift from road to more efficient waterborne transport in line with EU transport policy.

In fact, the importance of the Douro's Inland Waterway is recognized in the Atlantic Corridor Work Plan that refers it as a branch of the core network (inland waterway CEMT Cat. IV or above) touching Spain and flowing East-West passing by the core node of Porto, linked to Leixões core port through a small stretch of coastline where navigability by barges is already possible and further improvements are planned. Freight flows are likely to have a steep increase due to a large iron mine currently develop in the river's hinterland. A specific set of projects to upgrade some locks, enhance navigability, and solve local bottlenecks are at design phase. This flow would benefit notably of the maritime connection of the corridor from Leixões.

This importance was also confirmed by the experts and EC assessment of the application presented to the 2014 CEF Transport Calls, with the selection of the 1st phase of the project – the studies phase – for funding and where the assessment report stated that the action is very relevant and expected to improve navigability, integrating inland navigation with maritime transport and ensuring safe, secure and high-quality standards.

Although, the river improvement actions that are presently being studied in detail, with benefit of CEF funding from 2014 Call, represent a major investment, about 75 million €, that can only be implemented in time, compatible with the requirements of the core network and with economy development plans, with support of EU funding, namely CEF.

It is a specific investment that makes full meaning to be supported by CEF funding and a solution within CEF should be envisaged, either for immediate/short term either for future in a sustainable way.

It can also be pointed, in our opinion that, namely with the development of the corridors studies last year and the sequent corridors work plans, that the Annex I of CEF, either point 2 (corridors of the core network) either point 3 (other sections of the core network), both of Part I of Annex I of CEF Regulation should be updated, with the conclusions of the corridors studies/work plans.

In this scope our position is that 2 actions should be taken:

- One action, with immediate result, is to wider the set of eligibility actions, in order to cover the project “Douro’s Inland Waterway 2020” interventions/works, that will be the 2nd phase of the project², under the priority of bridging missing links and removing bottlenecks, extending the eligibility for funding to any section of the core network or at least for core inland waterways;
- Another action, despite that it will only produce results later, would be to start, as soon as possible, an update process of the Annex I of CEF Regulation in order to integrate the conclusions of the corridors studies and work plans.

Comparing the indicative timetable and amounts available for the multi-annual Calls for proposals for 2015 and 2016, with the values available in the last 2014 Calls, we can find for the priority of optimizing the integration of transport modes and enhancing the interoperability of transport services, while ensuring the accessibility of transport infrastructures, an increase of the budget under the general envelope from 730,6 million € to 814,3 million € that benefit mainly SESAR but also RIS.

Despite this general increase, the budget of Motorways of the Sea was significantly reduced, from 250 million € to 129,3 million €, by other words nearly cut in half.

Since one of the main objectives of the EU transport policy is to optimize the performance of multimodal logistic chains, including by making greater use of more energy-efficient modes, and specifically to shift 30% in 2030 and 50% in 2050 of road freight over 300 km to other modes such as rail, maritime transport, where Motorways of the Sea stands, and inland waterway, the option to reduce the budget for the Motorways of the Sea, while increasing or maintaining other modes in a scope of an overall increase of the budget for the priority in question doesn’t seem consistent.

It also should be noted that the Motorways of the Sea also support the projects regarding the emissions from maritime bunker fuels, in line with the EU transport policy, and this is reinforced with the Emission Control Areas set by the MARPOL Convention for the North Sea and Baltic, both in vigour in 2015.

In this contest our opinion points to the necessity to increase the budget for Motorways of the Sea and never its purposed significant reduction in the draft document from DGMOVE/EC.

² The first phase of the project “Douro’s Inland Waterway 2020”, selected for funding in the 2014 CEF Transport Calls, regards to studies

III. OPINION

In the sequence of the analysis presented before, the position of AMT regarding the draft document delivered by DGMOVE/CE for the “Commission Implementing Decision of XXX, amending Commission Implementing Decision C(2014) 1921 as amended by Decision C(2015) 2192 establishing a Multi-Annual Work Programme 2014 for financial assistance in the field of Connecting Europe Facility (CEF) - Transport sector for the period 2014-2020” regards to 2 issues:

1. Eligibility Context:

It should be assured that the framework of the next CEF Calls don't restrict the funding for projects of big relevance for the objectives of TEN-T, especially for the core network, namely:

- Cohesion, including the accessibility and connectivity of all regions of the EU, reduction of infrastructure quality gaps between Member States, both for passenger and freight traffic for long-distance, regional and local traffics, and reflecting the specific situation of different parts of the EU;
- Efficiency, including the removal of bottlenecks, optimal integration and interconnection of all transport modes, promotion of economically efficient high-quality transport, contributing to further economic growth and competitiveness and efficient use of existing infrastructure;
- Sustainability, including the objectives of low greenhouse gas emissions, low-carbon and clean transport, reduction of external costs and environmental protection;
- Increasing benefits for its users, ensuring safe, secure and high-quality standards, for both passenger and freight transport.

The improvement of Douro's Inland Waterway fully addresses either the all objectives referred, either the general priorities for TEN-T, namely ensuring enhanced accessibility and connectivity for all regions of the EU and optimal integration of the transport modes and interoperability within transport modes, removal of bottlenecks, promotion of efficient and sustainable use of the infrastructure and improving the quality of infrastructure in terms of safety, security, efficiency, social conditions, accessibility and the quality of services and continuity of traffic flows.

As well, the intervention in Douro's river covers the specific priorities for TEN-T inland waterways, namely achieving higher standards for modernising existing waterways in accordance with the technical aspects of infrastructure of the ECMT, implementing telematic applications, including RIS, and the promotion of sustainable inland waterway transport.

The importance of the Douro's Inland Waterway is recognized either in the Atlantic Corridor Work Plan either by the assessment report to the application to 2014 CEF Transport Calls regarding the studies phase, since it will improve navigability, integrating inland navigation with maritime transport and ensuring safe, secure and high-quality standards, as well as it as an important role for the economic development, in the scope of freight flows that are likely to have a steep increase due to a large iron mine currently develop in the river's hinterland.

In this scope, a solution shall be achieved for the Douro's Inland Waterway funding within CEF, integrating, in our opinion, 2 actions:

- For immediate result, meaning for the next CEF Call expected to open in November, the text of the draft document shall be adjusted in order that under priority of bridging missing links and removing bottlenecks, any section of the core network, at least inland waterways, should be eligible for funding;
- To address the corridors work plans conclusions in a consistent and sustainable way, and despite that the results of this action will be observed later, start, as soon as possible, an update process of the Annex I of CEF Regulation in line with the referred conclusions of the corridors studies and work plans.

2. Budget regarding the Motorways of the Sea:

Despite an overall increase over 10% of the budget for priority optimizing the integration of transport modes and enhancing the interoperability of transport services, while ensuring the accessibility of transport infrastructures, the amounts regarding the component of the Motorways of the Sea was significantly reduced, nearly in a half.

This option doesn't seem consistent with the main objectives of the EU transport policy to optimize the performance of multimodal logistic chains, including by making greater use of more energy-efficient modes, and specifically to shift 30% in 2030 and 50% in 2050 of road freight over 300 km to other modes such as rail, maritime transport, were Motorways of the Sea stands, and inland waterway, as well as it prejudices the support to projects regarding the control of emissions from maritime bunker fuels.

In this contest there is a necessity to increase the budget for Motorways of the Sea and not its purposed reduction that in our opinion should be reconsidered.

Lisbon, 29th September, 2015

President of the Board