



EUROPEAN COMMISSION INJECTS €6.7 BILLION IN TRANSPORT INFRASTRUCTURE TO BOOST JOBS AND GROWTH

News / Airlines



Yesterday the European Commission firmly delivered on President Juncker's top priority of creating jobs and boosting growth in the European Union, by unveiling a list of 195 transport projects that will receive €6.7 billion of funding under the Connecting Europe Facility (CEF).

This investment is expected to unlock additional public and private co-financing for a combined amount of €9.6 billion. The selected projects will notably contribute to the digitalisation and decarbonisation of transport, in line with the broader political agenda of this Commission. The Member States eligible for the Cohesion Fund received almost 85% of the funding, which will help bridge the infrastructure disparities across the EU.

Vice-President Jyrki Katainen, responsible for Jobs, Growth, Investment and Competitiveness, said: "I am happy that the Commission is making yet another major contribution to investment in the transport sector which will lead to more jobs and generate economic growth in Europe. I would also like to use this opportunity to encourage all potential project promoters to explore investment

possibilities under the Investment Plan for Europe, and in particular the newly launched European Investment Project Portal (EIPP), which gives worldwide visibility to transport project.”

EU Commissioner for Transport Violeta Bulc said, “The total investment of €9.6 billion could create up to 100,000 jobs in the European economy by 2030. The projects will make European infrastructure safer, more sustainable and more efficient for passengers and business alike. I am pleased to see that the Western Balkan Region will also receive some funding, bringing its transport infrastructure closer to the EU’s.”

Selected projects are primarily located on the core trans-European transport network (TEN-T). Among the beneficiaries are flagship initiatives such as the rehabilitation of the Brasov Sighisoara rail section in Romania, the railway connection Aveiro Vilar Formoso in Portugal, the development of a standard gauge railway line in the Rail Baltic corridor, the implementation of the SESARDeployment Programme and the modernisation of railway line E30 (the Zabrze – Katowice – Krakow section) in Poland.

Launched in November 2015 , the second CEF calls for proposals generated 406 eligible project proposals. With €12.49 billion of requested EU funding, the calls were widely oversubscribed. This allowed the Commission to select the projects with the highest European added value, while guaranteeing a balanced distribution geographically and between the transport modes. €5.6 billion has been earmarked for Member States eligible for the Cohesion Fund. The contribution to other Commission priority actions, such as the Energy Union or the Digital Single Market , was also evaluated during the selection process.

The EU’s financial contribution is made in the form of grants, the co-financing rate of which is between 20% and 50% of the eligible costs of a given project, depending on its type. As regards projects submitted under the Cohesion call, the maximum co-funding rates can go up to 85% of the eligible costs.

Next steps

The proposed funding decision must now be formally approved by the Connecting Europe Facility Coordination Committee, which will meet on 8 July 2016. Adoption of the decision by the Commission is expected for end July 2016. The individual grant agreements will then be prepared by the Innovation and Networks Executive Agency (INEA) and signed with the project beneficiaries in the second half of 2016.

Background

Under the Connecting Europe Facility (CEF), €24.05 billion will be made available from the EU’s 2014-2020 budget to co-fund TEN-T projects in the EU Member States. Of this amount, €11.305 billion will be available only for projects in Member States eligible for the Cohesion Fund. Annual and multi-annual work programmes specify the set of priorities and the total amount of financial support to be committed for each of these priorities in a given year. 2014 was the first programming year under the CEF. Along with the European Fund for Strategic Investments (EFSI) and the European Structural and Investment Funds (ESIF), the CEF plays a major role in bridging the investment gap in Europe, which is one of the Commission’s top priorities.

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