



European Federation of Inland Ports

Position of the European Federation of Inland Ports (EFIP) on the Mid-term Evaluation of the Connecting Europe Facility (CEF)

23 February 2017

In November 2016, the European Commission invited stakeholders to share their opinions to the current **Mid-term evaluation of the Connecting Europe Facility (CEF) Programme**. As the unique representative of inland ports in Europe since 1994, EFIP welcomes the opportunity to give the contribution of its own network, constituted of nearly 200 inland ports located in 16 Member States of the EU and Switzerland, Serbia and Ukraine.

In line with the **2011 Commission's White Paper on transport**, which stipulates to shift 30% of road freight over 300 km to “environmentally friendly modes of transport” by 2030 and 50% by 2050, EFIP is convinced that the CEF is crucial to realise these objectives in the inland port sector. Besides, CEF is the backbone of the **2013 TEN-T policy objectives**, considering that the completion of the TEN-T network by 2030 constitutes a legal obligation for the Member States.

The **Rotterdam Declaration** during the **TEN-T Days 2016** and the expected **2018 “European year of the Multimodality”** position more than ever the inland port sector at the heart of the EU transport agenda. These are crucial milestones in reinforcing the position of the inland port sector in the *internal market*. Therefore, revitalisation and strengthening of the inland ports have to be financially supported in the scope of the CEF.

Also, in the light of the recent EU policy developments, EFIP fully supports the new strategy to put the financial emphasis to the reinforcement of the seaports' multimodal hinterland connections. EFIP believes inland ports must play an increasing role as extended gates of the major seaports, with the adapted financial lifeline to implement it.

Indeed, CEF has been effective in delivering European transport priorities thus far. In 2015, EUR 12.8 billion of grants were allocated to 263 projects.

But some structural problems have been revealed:

- **In all the CEF calls, high-quality projects were rejected due to insufficient EU budget.** In 2015 CEF calls, there was a massive oversubscription of three times the amount proposed.
- **Financial contribution given to inland port sector is rather low compared to the other transport modes.** Under the CEF General call of EUR 1.09 billion, inland ports related projects only received around EUR 22 million of funding. Under the CEF Cohesion call of EUR 6.47 billion, inland port related projects only received around EUR 170 million of funding.



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Based on this report, EFIP would like to address specific remarks:

- 1) Need for more CEF Budget for transport and inland ports, with a more equal division of the budget over the entire budgetary period:** adequate TEN-T budget is essential to realise the TEN-T objectives. From 2016, the leftovers of the CEF budgets 2014-2020 are not sufficient to finance essential and high-quality projects. For this reason, EFIP has been a proactive member of the campaign "[More EU budget for transport – the best Investment Plan for Europe](#)" supported by 30 transport organisations, encouraging European institutions to strengthen the CEF in the current review of the Multi-Annual Financial Framework (MFF). That is also why EFIP is now a member of the recently launched (December 2016) **Industry Alliance for Multimodal (IAM) Connectivity and Logistics**: 21 Brussels-based industry associations, representing different modes of transport, have decided to join forces to strengthen their voice also in the scope of boosting the CEF funding under the current (2014-2020) and next (2021-2027) MFF. Indeed, it is a crucial moment for the transport sector, due to expected post-Brexit cuts in the overall EU budget which won't be compensated by the remaining 27 Member States.
- 2) Need to maintain CEF grants along with the implementation of EIB financial instruments and Public-Private Partnerships (PPPs):** CEF funding has been almost exhausted and the alternative promoted until 2020 is investments based on leveraging effects and PPPs replacing EU's conventional direct funding. The inland port sector is doing its best to take advantage of the financial instruments offered by the Juncker Plan (EFSI). **But the inland port authorities have usually limited resources, with lack of competent staff with the required skills.** There are also essential basic port infrastructure projects with a high added-value and wider economic returns for the port community, which cannot attract private finance (PPPs) because of their inevitably low financial returns. But they need to be carried out for the general public's interest. Also, these projects are often the direct consequence of legal obligations coming from the EU, national or local legislation (e.g. for the needs of environmental protections, safety and security). In these cases, private investment is not an option because no private investors would be interested. For these projects, CEF grants must remain a critical component of the EU funding, especially for inland ports projects located in the **TEN-T Core network**.
- 3) Need to enhance the technical support role of the European Investment Advisory Hub (EIAH) towards ports for a smarter use of the increasing strategy of "blending approach":** CEF blending facilities can be funded from the envelopes of both grants and financial instruments. But they also promote a wider combination with other EU programmes/budgets, contributions from national budgets and/or private investors. Along with its objective to build upon existing advisory services of the EIB and the EC, in



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order to act as a single technical advisory hub for project financing within the Union, the EIAH should also:

- Provide better advice on the blending of CEF with other EU funding sources (EFSI, ESIF, and Horizon 2020) and complementarities with other EU programmes in order to achieve synergies and complementarities between the different sources of EU support.
 - Provide best practice examples / annual reports with explanatory guidelines for PPPs.
 - Contribute actively to the objectives of sectorial and geographical diversification.
- 4) **Need for improving the dedicated CEF budget's long-term vision**, by promoting a stable and balanced financial framework that allows long-term planning of multimodal interconnectivity, sustainable (alternative fuel bunkering, short-side-electricity) and digital infrastructures (e-infrastructures). **The integration within the CEF of dedicated call for proposals and budgets for inland ports related projects are highly desired from the overall sector.**
 - 5) **Need for more coordination between Member States' national infrastructure investment plans and TEN-T objectives.**
 - 6) **Need for improving the CEF calls selection process**, by reducing the **administrative burden**, improving the **communication** around the call rules and criteria (earlier and clearer communication) and **transparency** of the process (better constructive feedback for the refused projects), given the fact that the preparation of project proposals costs time and money for applicants.
 - 7) **Need to ensure continuous attention in governance and legislation for the inland port sector**, especially in the scope of the current EU policy and programme reviews (MFF 2014-2020, CEF, Naiades II, EFSI ...) and planning of future budgets (CEF 2, EFSI 2, MFF 2021-2027).

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