



Opportunities arising from the Juncker plan to support the TEN-T policies

**EFSI Workshop:
Financing Ports Projects through financial instruments
ESPO – Brussels, 23 February 2016**

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Tools available at EU level

Connecting Europe Facility: grants

- **Budget of €22.5bn for 2014 -2020, with 11.3bn reserved for Cohesion MS**

1st call in 2014 (€13bn), 2nd call in November 2015 (€7.5bn)

=> most budget allocated

Connecting Europe Facility: Financial instruments

- **Up to €1.5bn available for a wide array of instruments**

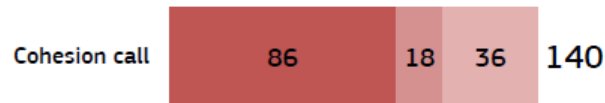
Project Bonds, LGTT, possibility of other Debt or Equity instruments, dedicated investment funds for specific policies

Budget could be used as grants for blending with EFSI/CEF financial instruments

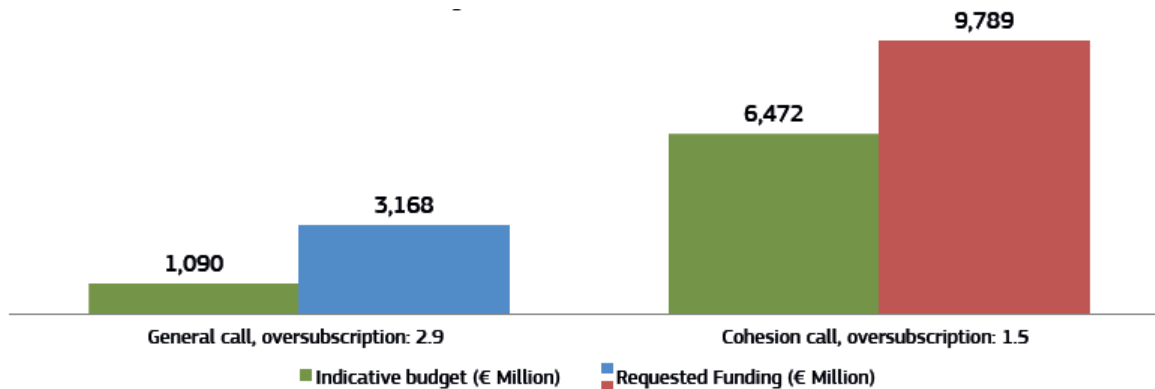
Blending : *European Fund for Strategic Investments (EFSI) + Standard EIB lending + ESI Funds*

CEF : 2nd call in November 2015

Overall, **427 proposals** were submitted, requesting in total **€12.96 billion** out of **€7.56 billion** of available funding.



- Funding Objective 1**
 - ERTMS
 - Corridors of the Core Network
 - Other Sections of the Core Network
 - Rail Interoperability
 - ERTMS
- Funding Objective 2**
 - New Technologies and Innovation
 - Safe and Secure Infrastructure
- Funding Objective 3**
 - Single European Sky – SESAR
 - River Information Services (RIS)
 - Intelligent Transport Services for Road (ITS)
 - Motorways of the Sea (MoS)
 - Transport infrastructure in nodes of the Core Network
 - Multimodal logistics platforms



Opportunities for Maritime Sector (grants)

CEF grants – limited funding – limited eligibility

- Limited funding available through Motorways of the Sea (€130 million) and Innovation (€60 million) projects for 2015 call
- Only for projects involving a port of the Core Network
- No call for classic TEN-T projects outside Cohesion MS before 2018 (**pending on MFF review**)
- Projects concerning capacity increase not likely to be TEN-T priority for future calls
- For vessels: pilot projects for alternative fuels and innovation => limited

CEF grants can be used for studies including analysis of financial options

Opportunities for Maritime Sector (financial instruments)

CEF & EFSI financial instruments

- **Infrastructure investments in Ports**

 - Capacity upgrades,

 - Safety investments,

 - Infrastructure for alternative fuels: e.g. LNG bunkering or feeder vessels

 - Multimodal interconnections (last mile)

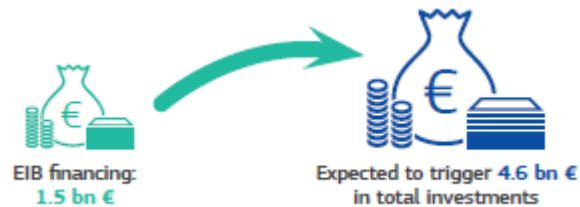
- Ground and on-board components of traffic management systems or alternative propulsion systems

EFSI instruments

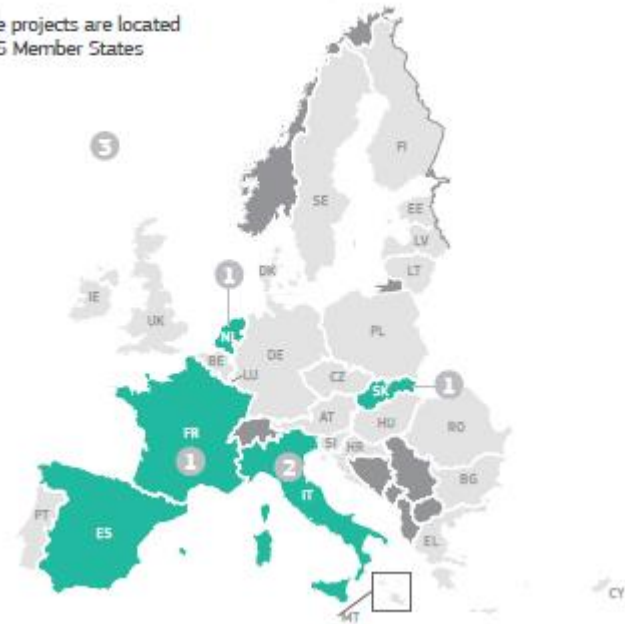
- **For transport infrastructure and equipment**
- **TEN-T projects, but also beyond TEN-T**

List of projects in the transport sector (2015)

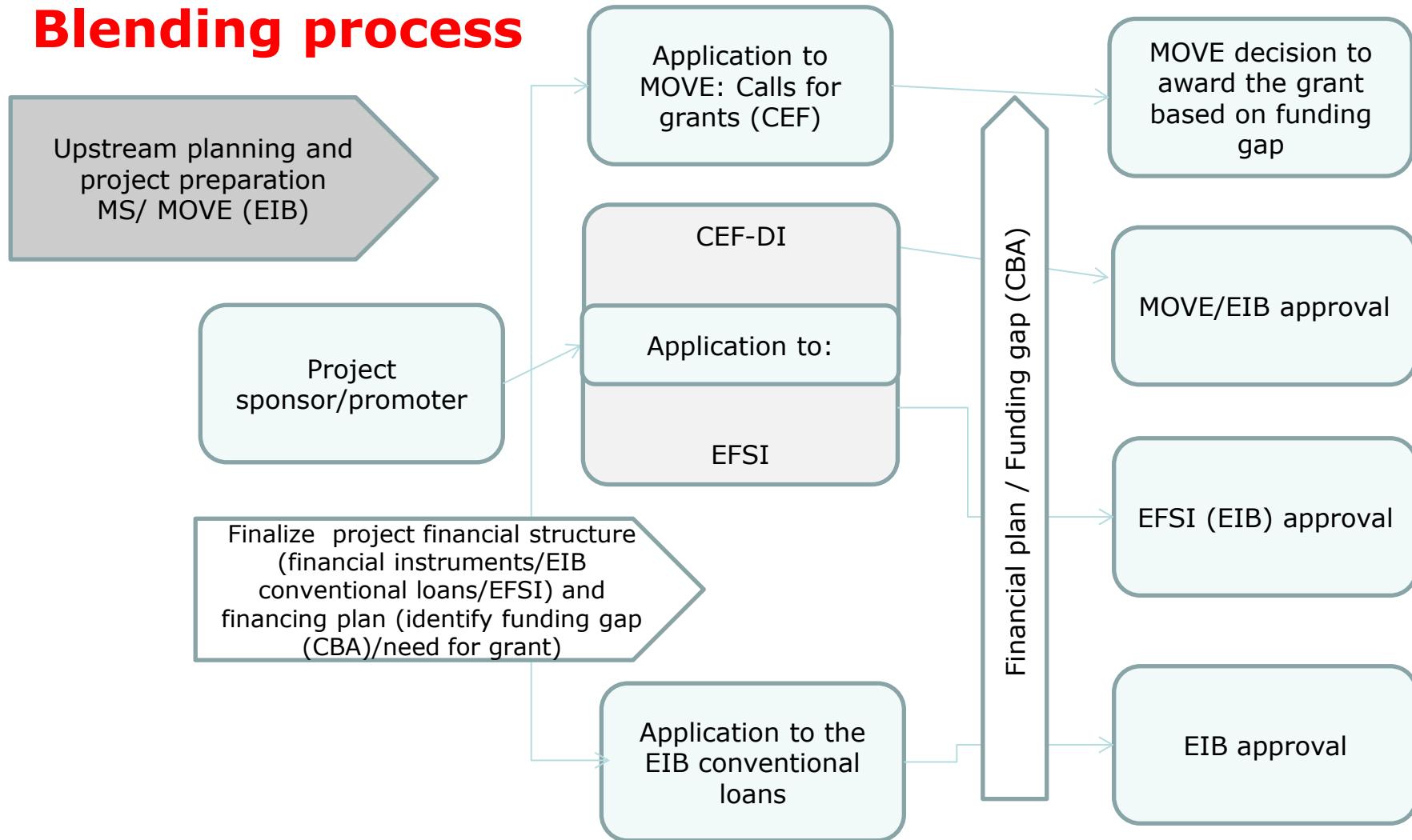
NL	Lock upgrade (under assessment ¹)
	<ul style="list-style-type: none"> Maximising the potential of inland waterways to provide additional capacity, decrease vessel waiting times and ensure smooth, reliable and safe traffic of larger inland vessels
IT	Transport upgrade in Italy (under assessment)
	<ul style="list-style-type: none"> Widening of a motorway to ease congestion
SK	Transport upgrade in Slovakia (under assessment)
	<ul style="list-style-type: none"> Design, construction and financing of part of a motorway
FR	Transport Infrastructure in France (under assessment)
	<ul style="list-style-type: none"> Construction of a motorway to ease city-centre traffic
IT	Transport facilities in Italy (under assessment)
	<ul style="list-style-type: none"> Acquisition of new stock for rail services to connect major cities
ES	Transport Infrastructure in Spain (under assessment)
	<ul style="list-style-type: none"> Construction and improvement of road and rail access to ports in Spain
ES	Green shipping in Spain (under assessment)
	<ul style="list-style-type: none"> Construction of two new dual-fuel vessels for a Spanish shipping company, replacing two older, less fuel-efficient vessels
ES	Infrastructure risk-sharing loan in Spain (under assessment)



The projects are located
in 5 Member States



Blending process



Green shipping

CEF & EFSI financial instruments

- **Tools are being developed to finance greening of maritime fleets**

Goal is to **accelerate environmental investments** to comply and go beyond EU environmental Regulation (new built and retrofiting)

For projects/companies that cannot access commercial banking support or EIB standard lending => crowding-in private banks

Because banks are not willing to cover the incremental costs and risk related to alternative propulsion systems (LNG, electricity,...)
=>EIB intervention to de-risk investments

- **Discussion ongoing to test a pilot scheme**

with banks in SE, FI, NL and FR – MS impacted by SECA from 2015
Before full EU roll-out in all interested MS

Green shipping

Main elements of the green shipping financing tool (GSFT)

- Through **commercial banks currently specialised in ship financing** in specific country/region
- Guarantee of the EIB to commercial banks funding green investment in shipping under a **risk sharing framework agreement**
- Commercial banks will be the only contact points with borrowers
- **The EIB guarantee will cover the credit risk associated** with underlying green shipping assets
- **EIB is in turn guaranteed by EU budget** through CEF (pilots) or EFSI (full deployment)

Investment Platforms

MEMBER STATE	NPB ¹	FINANCING (UP TO)
Germany	KfW	€ 8,000m
Spain	ICO	€ 1,500m
France	CDC	€ 8,000m
Italy	CDP	€ 8,000m
Luxembourg	SNCI	€ 80m
Poland	BGK/P IR	€ 8,000m
Slovakia	SIH/S ZRB	€ 400m
Bulgaria	BDB	€ 100m
United Kingdom		€ 8,500m
TOTAL		€ 42,580m

- **NPB can co-finance EFSI projects and/or implement Investment Platforms**
- **Investment Platforms:**
 - Pooling of projects with thematic or geographic focus
 - Flexible form: agreement, SPV, Fund, etc.
 - Can benefit from EU Guarantee via EIB

¹. National Promotional Banks

Blending European Structural and Investment Funds (ESI Funds) with the EFSI



- ESI Funds: € 70 billion for transport (2014-2020)
- Combination of ESI Funds and EFSI is possible either at individual project or at financial instrument level (e.g. in an investment platform)
- New Guidelines on combining European Structural and Investment Funds with the EFSI published on 22.2.2016

http://ec.europa.eu/regional_policy/en/newsroom/news/2016/02/22-02-2016-investment-plan-for-europe-new-guidelines-on-combining-european-structural-and-investment-funds-with-the-efsi

Key messages

- *CEF grants are limited in eligibility and in volume (pending MFF review)*
- *CEF & EFSI financial instruments should be considered for projects with potential revenues*
- *Blending EIB tools and CEF grants (or ESI Funds) is a possibility, with CEF grant focused on remaining funding gap*
- *New tools are being developed for new sectors by EIB, most advanced scheme being green shipping*
- *"Platform type" structures also developed (i.e. Spain)*
- *Need to involve EIB and EC early in the process: EIAH*

THANK YOU FOR YOUR ATTENTION
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MORE INFORMATION AVAILABLE AT:

<http://ec.europa.eu/invest-eu>

<http://www.eib.org/invest-eu>

<http://ec.europa.eu/transport>

<https://ec.europa.eu/inea>

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