



FINANCING THE PORT INVESTMENTS NEEDED: OVERVIEW OF THE FUNDING POSSIBILITIES CEF2 & INNOVATION FUND

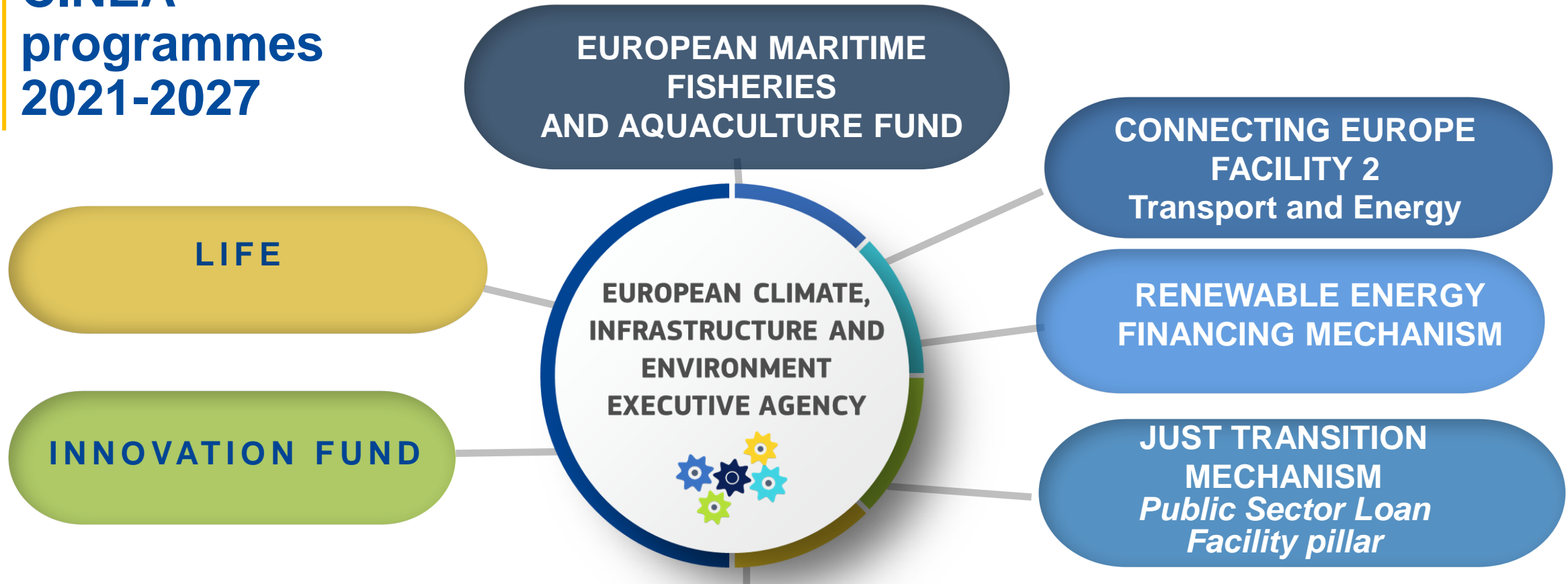
19th ESPO Annual Conference
Europe's ports as partners in the race towards a net-zero future

EUROPEAN CLIMATE,
INFRASTRUCTURE AND
ENVIRONMENT
EXECUTIVE AGENCY



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CINEA programmes 2021-2027



~ 58 billion for the period 2021-2027



3000+ projects



> 500 staff by 2027

Part 1

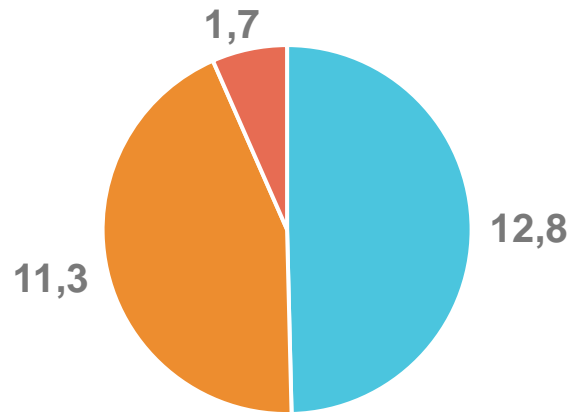
Connecting Europe Facility – CEF2

CEF Transport policy objectives & budget

- Contributes to the objectives of the Green Deal and the Sustainable and Smart Mobility Strategy
- Contributes to the development and modernisation of the TEN-T network, including its adaptation for civilian-defence dual use
- At least **60%** of the financial envelope dedicated to the Union's climate targets

Indicative budget 2021-2027

€25,8 billion



- General envelope
- Cohesion envelope
- MilMob envelope

Grants allocated via Work Programme & calls

70% of CEF budget (€18,2 billion) for 2021-2023

- **3 calls for proposals of €5.5 billion** each in 2021, 2022 and 2023
- 3-year rolling call for the **Alternative Fuel Infrastructure Facility of €1.5 billion** (5 deadlines, every 6 months)
- **€200 million** for technical assistance actions

Further frontloading for CEF Transport Call 2023



Maritime Ports topics

(Calls for development of the core and comprehensive network; location: core and comprehensive ports)

Relevant investments:

- **Port access** (e.g. breakwaters, access channels, fairways, locks and navigational aids)
- **Basic port infrastructure** (e.g. turning basins, quay walls, berths, jetties, backfills, land reclamation needed for a quay/berths). **Priority on:**
 - development of zero- or low emission multimodal solutions
 - development of ports' capacities and facilities linked to **offshore wind farms**
 - improving connectivity with remote, insular and outermost regions, or of Member State with no land border with another Member State
- **Shore-side electricity supply**
- **Port reception facilities**
- **Ensuring year-around navigability** (capital dredging and ice-breaking facilities)
- **IWW / rail / road access and connections** within maritime port
- **Renewable energy generation** in a maritime port (synergetic element)

Type of projects:
Works/Studies/Mixed

Max. co-funding rates:
General envelope **30% / 50%**; Cohesion envelope: **85%**



Motorways of the Sea

(Sustainable & multimodal mobility - SUSTMOB)

To establish or expand short sea shipping SSS link(s)

- **Hinterland connections** (IWW/rail/road last mile connections)
- **Basic port infrastructure**
- **Port access** (e.g. breakwaters, access channels, fairways, locks, navigational aids)
- **Shore-side electricity supply**
- **Port reception facilities** for oil and other waste from ships
- **Improvement of port handling capacity** (construction or upgrade of **freight and/or passenger terminals**, safe and secure parking, customs phytosanitary, immigration or security facilities)
- **Digitalisation** of port operations



At least one Core Network port and another Core/Comprehensive Network port from two MS involved! Balanced investments!

Wider benefits projects

facilitating SSS but not linked to specific ports

➤ **ICT platforms**

➤ Activities ensuring **year-round navigability** such as ice-breaking operations, including ice-breakers

➤ *Should benefit and be used by wider maritime community*



Must include participation of at least two applicants from two Member States

Type of projects: Works/Studies/Mixed

Max. co-funding rates: General envelope 50%



European Commission



EMSWe and VTMIS

(Smart & interoperable mobility - SIMOB)

Implementation of the European Maritime Single Window environment (EMSWe)

- Adaptation of the Maritime National Single Windows to the new legal requirements
- Integration of the harmonised interfaces into the Maritime National Single Windows

Projects supporting the implementation of Vessel Traffic Monitoring and Information Systems (VTMIS)

- VHF Data Exchange System (VDES)
- **Vessel Traffic Services (VTS)** - Future monitoring and communication needs for the enhanced surveillance autonomous ships and shipping (MASS)
- **Mandatory Reporting Systems (MRS)** - additional features for “ship to shore” reporting e.g. reusing data, reporting once not only between the authorities but also the shipping industry



Other relevant topics

Projects on the core and comprehensive networks

➤ **Railway**

- Connections of freight terminals to the TEN-T network
- Interconnections between rail and other modes of transport, in particular inland waterway and maritime transport

➤ **Roads, rail-road terminals and multimodal logistics platforms**

- **Road connections** to maritime and inland ports and rail-road terminals
- **Construction and upgrade of rail-road terminals**, combined transport transshipment points and **multimodal logistics platforms**

Safe & secure mobility (SAFEMOB)

➤ **Safe and secure parking areas**

- **Improving transport infrastructure resilience:** infrastructure upgrades or smart monitoring systems to improve the resilience to climate change and natural disaster

Smart and interoperable mobility (SIMOB)

New technologies and innovation: integrated infrastructure capacity and traffic management, enhanced transport services, development of Mobility as a Service

Military Mobility (MiMoB)

Strengthening port capacity and connectivity (dual-use infrastructure requirements (COM Implementing Regulation (EU) 2021/1328)

Alternative Fuels Facility

- **5 cut-off dates, only works**
- Deployment of alternative fuels for maritime ports, e.g. **hydrogen, electrification of ports, supply infrastructure and storage of liquid alternative fuels**, in accordance with Directive 2014/94/EU
- **LNG bunkering** for TEN-T maritime and inland ports supported as a **transitional solution**; **priority**: actions for progressive uptake of bio-LNG
- **Combining grants with other financing sources** (blending): financial approval letter required from implementing/non-implementing partner (min 10% of total project cost)

AFIF – ZERO EMISSION %

- **Electricity** recharging stations supplying:
 - IWW & maritime vessels (OPS)
 - Port vehicles & equipment
- **Hydrogen** Refuelling Stations for:
 - IWW & maritime vessels
 - Port vehicles & equipment

Max. co-funding:

- *General envelope: 30%*
- *Cohesion envelope 50%*

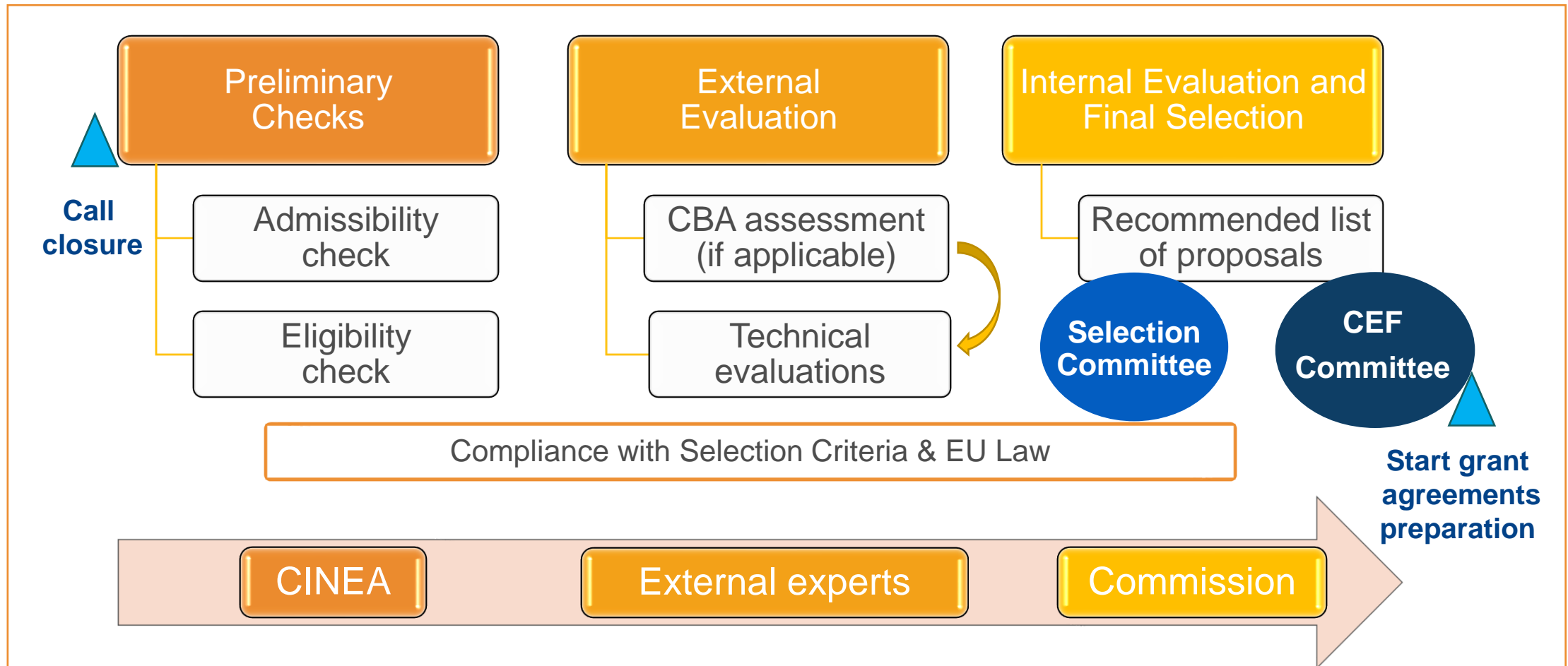
AFIF – LOW EMISSION %

- **LNG** refuelling stations supplying inland waterway and maritime vessels
- **Storage facilities** for transport sector only
- **Bunkering vessels**

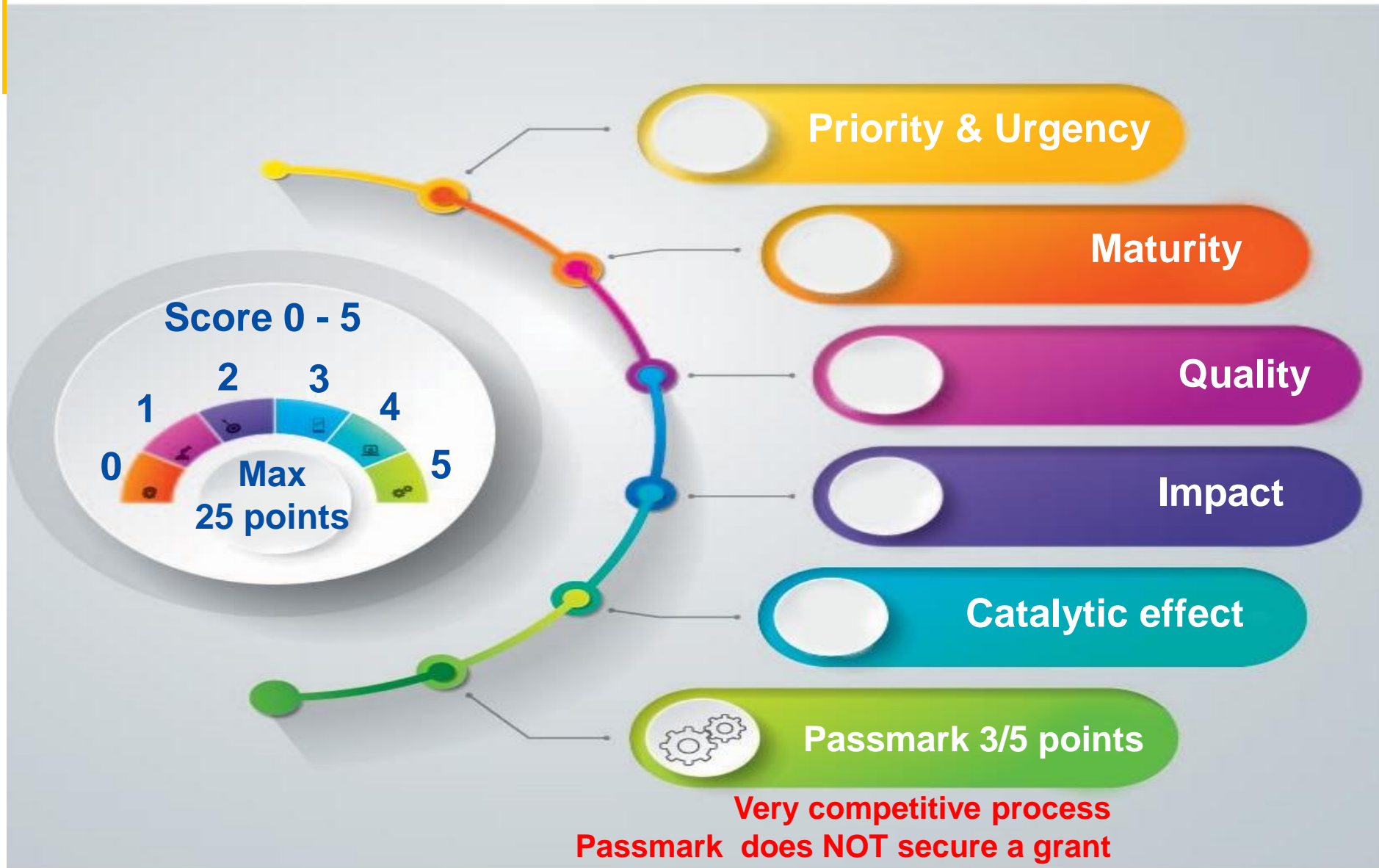
Max. co-funding:

- *General envelope: 10%*
- *Cohesion envelope 20%*

Evaluation and selection process



Evaluation - award criteria



EU & TEN-T objectives
Relevance / scope
EU added value
Synergies

Technical
Procedural
Financial

Work packages
Budget
Organisation, Risks
Communication

Economic, social,
environmental impact
(CBA, demand analysis)

Financial viability
Effect of EU funding
Capacity to mobilize
additional investments

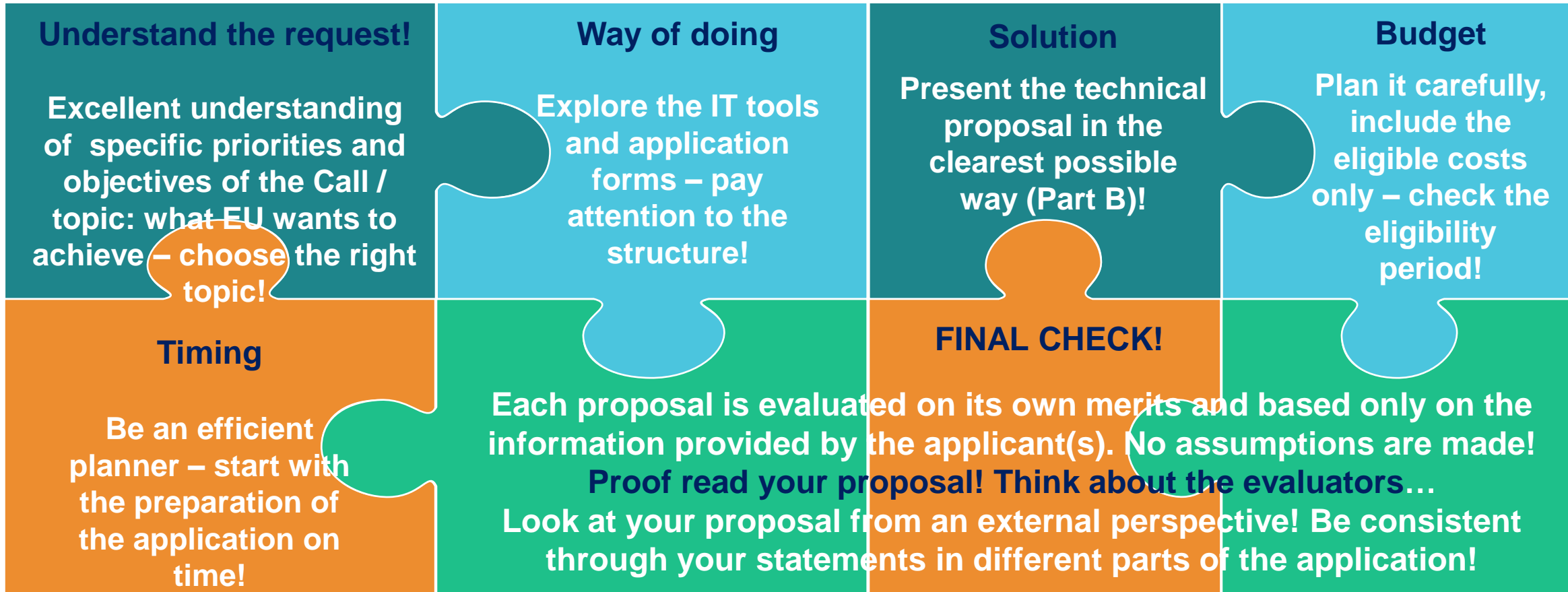
Shortcomings of proposals

Stage/criterion	Issue
Admissibility	<ul style="list-style-type: none">• Missing and/or Incomplete Environmental Compliance File<ul style="list-style-type: none">• Declarations (e.g. NATURA 2000 and Water Framework Directive) not duly signed, dated and stamped by the competent authority• Missing agreement by concerned Member State(s) - letter of support• Missing: lists of previous projects/activity reports of last year (private entities)/CBA & CBA cash flow template
Eligibility	<ul style="list-style-type: none">• Project fully out of scope/submitted under wrong topic• Project not located in a core or comprehensive maritime port
Priority and urgency	<ul style="list-style-type: none">• Non-relevant investments• EU added value/the bottlenecks to be addressed not well demonstrated• Synergies with other projects / sectors and / or network effect mentioned but not elaborated

Shortcomings of proposals

Stage/criterion	Issue
Maturity	<ul style="list-style-type: none">• Pending permits and/or authorisations; limited information• Incomplete environmental file• Several investments with different degree of maturity or dependence on ongoing projects• Doubtful financial readiness (which financial sources have been secured, status of loans) or financing not secured at all• Unsound spending profile: biggest spend budgeted in last year(s) of implementation
Quality	<ul style="list-style-type: none">• Inconsistent information in different sections of the application• Unclear description of work packages / insufficient tasks / milestones / deliverables• Not justified cost breakdown• Limited information on risks and mitigations measures• Communication tasks described (too) vaguely
Impact	<ul style="list-style-type: none">• Unclear scope of CBA, insufficient arguments about the assumptions/parameters• Poor demand analysis• Not quantified impact at EU level
Catalytic effect	<ul style="list-style-type: none">• Unclear financial effect of EU funding, will the grant trigger additional source of funding?• Not (sufficiently) demonstrated if and how CEF grant will accelerate project's implementation• Project financially viable without public funding

Towards an excellent proposal



Part 2

Innovation Fund

INNOVATION FUND

Deployment of net-zero and innovative technologies

Funded by: EU Emissions Trading System



Funding through
Grants and Auctions



EUR 40 billion* to invest from 2020-2030
in EU's climate neutral future



Avoid emissions and
boost competitiveness

Supporting manufacturing, production and use in:



Energy intensive
industries



Renewables



Energy storage



Carbon capture,
use and storage



Net-zero mobility
and buildings

*based on a carbon price of 75 EUR/tonne

Key features

Financed from the revenues of the
EU Emissions Trading System

450 million allowances plus
unspent revenues from NER 300
Programme

Volume: **€40 billion*** until 2030
(depending on carbon price)

**at €75 / tCO₂*

Grants

Annual calls for large-scale and
small-scale projects

Lump-sum contribution

Single applicant or consortium

Location of projects:

EU / NO / IC

Large-scale projects

CAPEX above €7,5 million

Small-scale projects

CAPEX up-to EUR 7,5 million

Grant size

Large projects:

up to **60%** of additional capital and
operating costs (up to 10 years)

Small projects:

up to **60%** of CAPEX

Payment

Up to 40% of grant disbursed
at financial close

Payment

At least 60% of grant disbursed
during **construction and** up to **5-**
years monitoring period against
GHG emission avoidance

Pilots & Small scale projects—**3**
years

Project development
assistance by EIB



Maritime/Waterborne projects – small scale

GREENMOTRIL

grant €4,347,980
Motril, Spain

Development and operation of a GREEN energy community in the **comprehensive maritime port of Motril – construction of a photovoltaic plant**

HyPush

grant €3,233,190
Paris, France

Construction of a fuel cell pusher boat operating with two hydrogen fuel cells and a lithium battery designed for **inland** river navigation

SOL

grant €4,000,000
Rotterdam,
Netherlands)

Production of cellulose-to-crude sugar oil (CSO) to be deployed as a sustainable marine fuel blend component for heavy fuel oil (HFO)

SUSTAIN-SEA

grant €4,493,534
Cantabria, Spain

Reducing maritime transport CO2 emissions using wind energy – **deployment of wind sail technology on 5 vessels that will reduce the fuel consumption**

FirstBio2Shipping

grant €4,336,058
Wilp, Netherlands

First Bio-LNG to Marine Shipping – supply of biogas converted to Bio-LNG - **financing innovative iLNG technology for production of Bio-LNG form biogas which will be delivered to the marine industry as 100% drop-in fuel**

Award criteria & key elements of success

DEGREE OF INNOVATION	GHG EMISSIONS AVOIDANCE	PROJECT MATURITY	SCALABILITY	COST EFFICIENCY
<p>Innovation beyond state of the art at European level</p>	<ul style="list-style-type: none">• Absolute emissions avoidance• Relative emissions avoidance• Quality and credibility of the calculation and minimum requirements	<ul style="list-style-type: none">• Technical maturity• Financial maturity• Operational maturity	<ul style="list-style-type: none">• Scalability in terms of efficiency gains• Scalability in terms of further technology or solutions deployment• Quality and extent of the knowledge sharing plan	<ul style="list-style-type: none">• Cost efficiency ratio (i.e. the EU contribution requested per tCO₂ avoided)• Quality and credibility of the cost calculation

✓ Call methodologies and guidance (GHG & relevant costs) are thoroughly followed-up

✓ Growth expectations are realistic

✓ The resource constraints and any limiting factors for further scale-up are well addressed

✓ **Proposal is well prepared, readable:**

✓ **Consistent information** between different parts/documents

✓ **Part B: all points covered** in a clear and exhaustive manner, well substantiated, no vague statements

Innovation Fund – future outlook

- To make the IF even better suited for the task, its **revision** was part of proposal for **revised ETS Directive under “Fit for 55” package** – trilogues concluded at the end of 2022 (final text currently being cleared) on:
 - **Increased number of allowances from ETS to fund the IF**
 - New instrument to provide support to projects proposed: **competitive bidding** and **(carbon) contracts for difference** – currently under preparation
 - Broadening of sectors in the EU ETS to maritime and **special attention to the decarbonisation of the maritime sector** in the Innovation Fund
 - Inclusion of a new category **for medium size projects**

 **The new ETS directive is expected to enter into force by the end of 2023**

More information

CINEA funding opportunities

Calls for proposals page on our website, guiding you to the correct submission portal:

https://cinea.ec.europa.eu/funding-opportunities/calls-proposals_en

CEF Transport open calls 2023

Military Mobility

21 September 2023, €790 million:

https://cinea.ec.europa.eu/funding-opportunities/calls-proposals/2023-cef-transport-military-mobility-call-proposals_en

AFIF

7 November 2023

https://cinea.ec.europa.eu/funding-opportunities/calls-proposals/cef-transport-alternative-fuels-infrastructure-facility-call-proposal_en

Innovation Fund open calls 2023

3rd call for Small scale projects:

19 September 2023, €100 million

<https://ec.europa.eu/info/funding-tenders/opportunities/portal/screen/opportunities/topic-details/innovfund-2022-ssc>

Info day presentations:

https://cinea.ec.europa.eu/news-events/events/innovation-fund-info-day-third-call-small-scale-projects-2023-04-20_en

Join as a project evaluator

CEF Transport and Innovation Fund

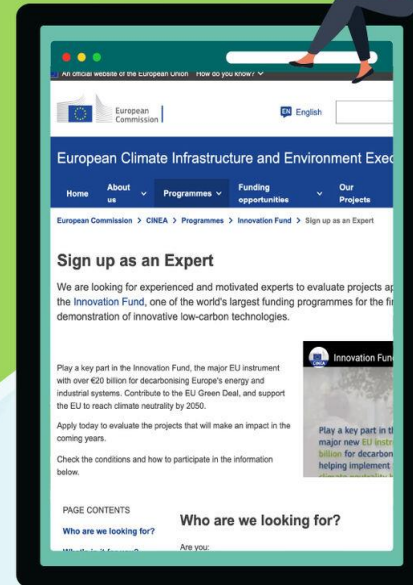
SIGN UP AS A

TECHNICAL EXPERT

FINANCIAL EXPERT

GHG EXPERT

RAPPORTEUR



MORE INFO: <https://europa.eu/!RTnFrw>

- Individual evaluation from your office/home at your best convenience
- Consensus group with other experts from your office/home
- Sign up as an expert to the European Commission's [expert database!](https://ec.europa.eu/info/funding-tenders/opportunities/portal/screen/work-as-an-expert)
<https://ec.europa.eu/info/funding-tenders/opportunities/portal/screen/work-as-an-expert>
- https://cinea.ec.europa.eu/programmes/innovation-fund/sign-expert_en

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