



Session on Sustainable Mobility: *The Policy & Legal Frame*

- Transport as Integral Part of an Holistic Approach**
- Is the Legal Framework Sufficient?**

***ClrCIE 2019
Nicosia, Cyprus
28 - 29 March 2019***

Helmut Morsi, Advisor to the Director & Coordinator for Innovation
European Commission, DG MOVE
Directorate B – Investment, Innovative & Sustainable Transport



Objective of the Session

- Transport is essential for islands, for people and goods to move from and to the main land as well as between and around islands. In addition, many islands need transport for their energy and water supply as well as to manage waste. The number of movements is therefore immense. In addition, it is strongly increasing because of tourism.
- Consequently, sustainable mobility should not be seen in isolation, but in the context of a holistic strategy for islands, encompassing transport, energy, water and waste. Above all, transport should be clean and efficient, while addressing the requirements of island inhabitants but also of visitors. It is clear, that all islands want such green transport, solutions exist already, but the question is how can this be achieved soon and for all islands in a systematic way? – Finances as well as coordination are obviously key elements.
- The objective of the session is to find out whether current EU policy and legal framework for islands are sufficient to meet the challenge. In addition, what can we learn from national policies (anywhere on earth).
- In case updating of the island policy and legal frame are required, what are the priorities?

Possible Points for Discussion

- **Policy: Scale of island challenge in sustainable transport.**

- » State of Affairs in EU policy and legal frame
- » Some good national policy examples
- » How to coordinate with other relevant sectors in a systematic way? Any obstacles by the legal frame for islands?

- **Concrete Island Projects to Illustrate the Current Situation:**

- » What can we learn from advanced islands?
- » What can we learn from the mainland?

- **Key general challenges:**

- » How to organise the required finances? – Public funds are never large enough. Can more private investment be achieved by updated politics/legal frame? Good examples?
- » How to coordinate and accelerate the rollout of green technology? Good examples?

Expected Results

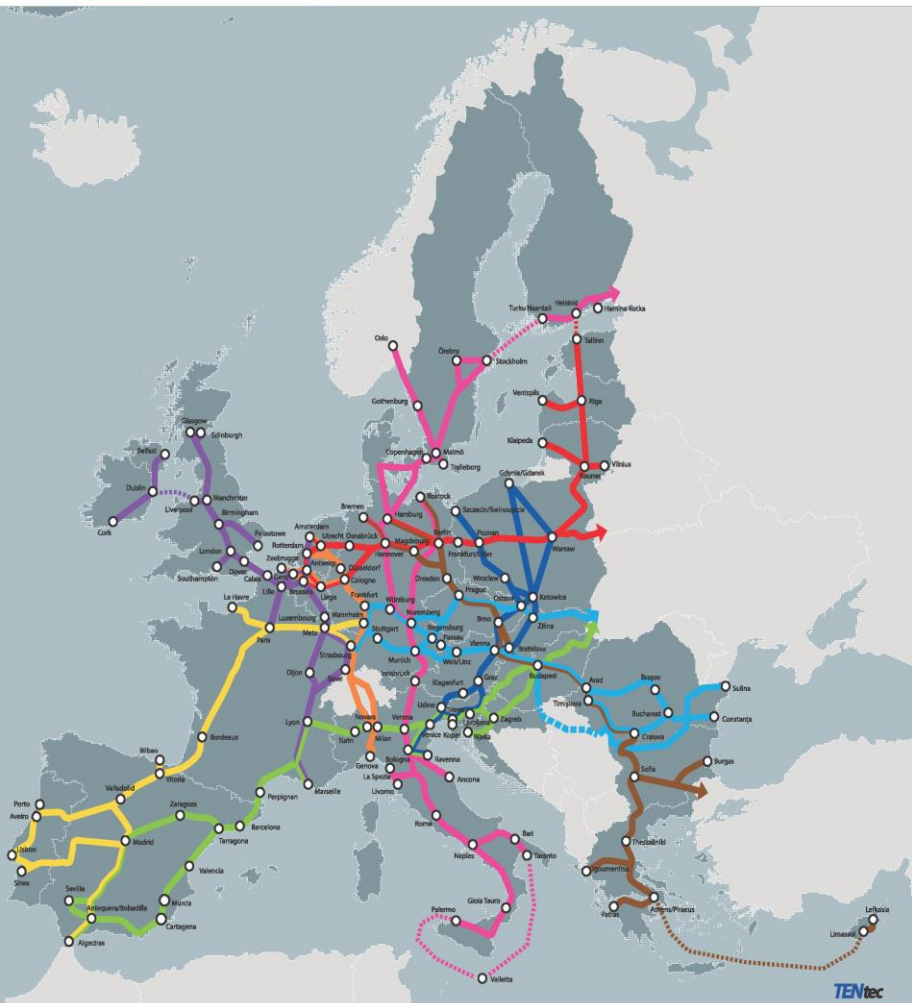
- 3 priority items for updating the EC policy and legal frame for transport to and on islands.
- 3 good examples (from any island on earth) to serve as starting points.
- More results...

TEN-T Corridors, Core & Comprehensive Network

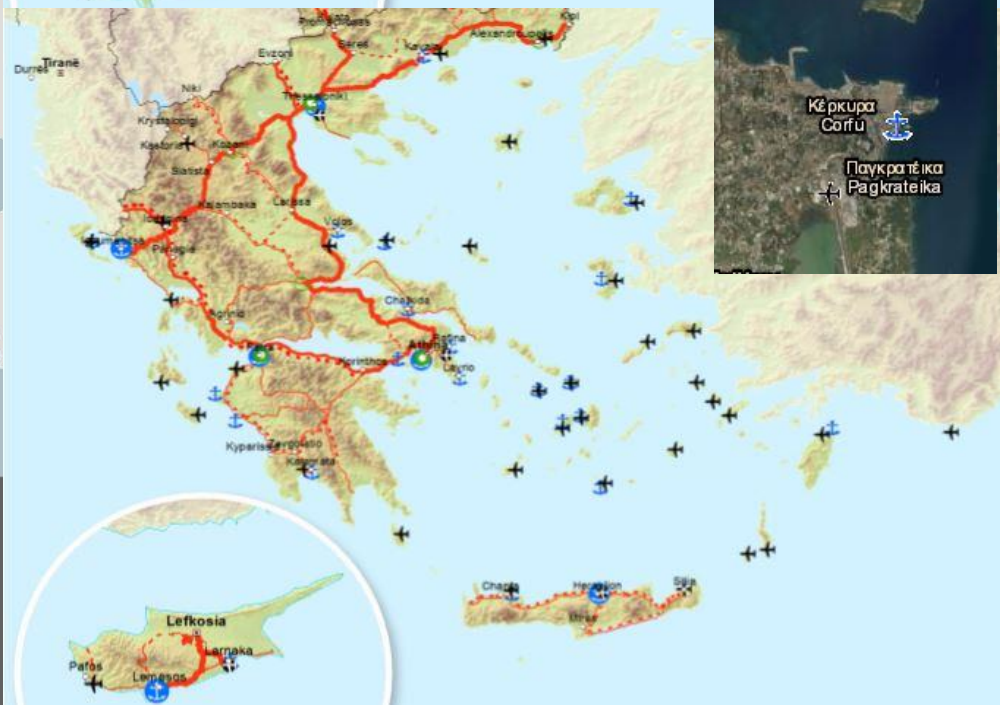
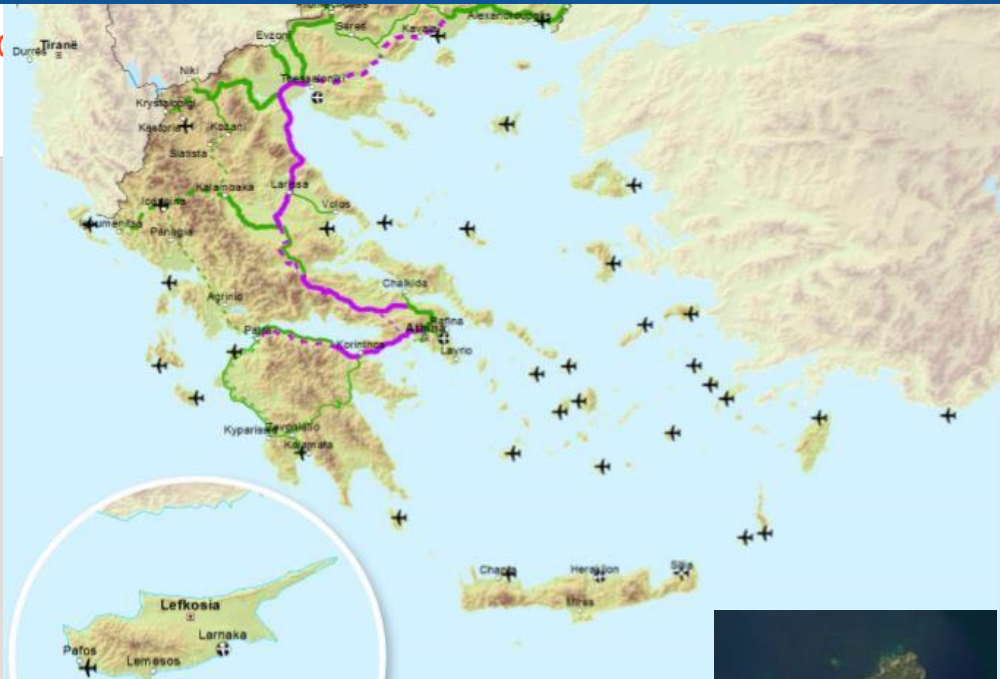


European Commission

TRANS-EUROPEAN TRANSPORT NETWORK
TEN-T CORE NETWORK CORRIDORS



- Legend**
- BALTIĆ - ADRIATIC
 - NORTH SEA - BALTIĆ
 - MEDITERRANEAN
 - ORIENT / EAST-MED
 - SCANDINAVIAN - MEDITERRANEAN
 - RHINE - ALPINE
 - ATLANTIC
 - NORTH SEA - MEDITERRANEAN
 - RHINE - DANUBE



TENtec

REGULACIÓN 60/11/2013 (EU L304) 2012/015

Holistic Approach : Proposal of the 4plus1 Concept based on Innovation & New Tech.

- Objective: Sustainable Islands
- Scope
 - » Synergies: energy, transport, water & waste – *4 sector optimisation problem*
 - » 2700 islands in the EU
 - » 18 EU Member States
 - » Total permanent population as large as medium size MS (eg Hungary, about 12 million), but during summer *in average* factor 5 increase by tourism!
 - » Deployment of new technology optimised for islands, ie isolate area surrounded by the sea – a special case which requires a special optimisation solution(s)!!!
 - » Overall: nearly all EU citizens directly benefitting (because of tourism).
- Creating a new business case
 - » Preservation of the Environment (*essential for Tourism*)
 - » **New era for energy & transport** : global transformation **as an opportunity for islands**:
 - *Plus1*: High tech production on islands (clean!) – *Some examples*
 - Better balancing the annual fluctuation of tourists (-> amortisation, social dimens.)
 - Selling island-optimised solution(s) to islands across the EU, and then globally!



● TWIN-PORT II (incl. EE)

- Real-life trial (study) plus roll-out (works) aiming at upgrading the Maritime link between the Port of Tallinn and the Port of Helsinki.
- Finances investments into the infrastructure of both ports: notably the New Terminal in Helsinki as well as the extension of terminal D and a connection between terminals A & D in Tallinn.
- It financed the environmental upgrades on a new generation vessel "Megastar" which was delivered January 2017. Powered by LNG, this RoPax vessel accommodates 2800 passengers and brings significant environmental, speed and energy efficiency improvements to this link.



CEF
2014-EU-TM-0087-M
January 2014 – December 2018
Total Project Cost: €97,600,000
EC Contribution: €29,300,000



European
Commission

SuperGreen (SG)

2017-EL-TM-0048-W

Orient/East-Med

2017 CEF Blending call (1st cut-off) Innovation

Member State(s) concerned:

Greece

(Coordinating) Applicant:

Ocean Finance Ltd

Implementation schedule:

Start date: January 2019

End date: April 2021

Requested funding:

Total eligible costs: €19,694,903

Requested funding: €3,938,981

Requested EU support: 20.00%

Recommended funding:

Recommended total eligible costs: €19,694,903

Recommended funding: €3,938,981

Recommended EU support: 20.00%



The Action involves the implementation of a sustainable and green transport system in Greece. It consists of three all-electric commuter vessels and one hybrid propulsion (Liquefied Natural Gas/Electric) catamaran that will connect the core network port of Piraeus with other ports in the comprehensive network. The Action includes a fleet of four electric buses to transfer the vessels' passengers from several points of Athens to the port of Piraeus and vice versa. It also involves two Liquefied Natural Gas (LNG) bunkering tanker trucks and various mobile electricity storage systems to supply all vehicles, as well as one LNG/Compressed Natural Gas fuelled truck for the autonomous management of all mobile equipment. Moreover, it involves a multimodal integration electronic platform to facilitate the booking of travel arrangements.

Connecting Europe Facility SYNERGY Transport & Energy

Member State involved:

Cyprus

Implementation schedule

Start date: April 2017

End date: March 2020

Budget:

Estimated total cost of the action:
€7,470,000

Maximum EU contribution:
€4,482,000

Percentage of EU support: 60%

Action Coordinator:

Ocean Finance Ltd

<https://www.oceanfinance.gr>

Additional information:

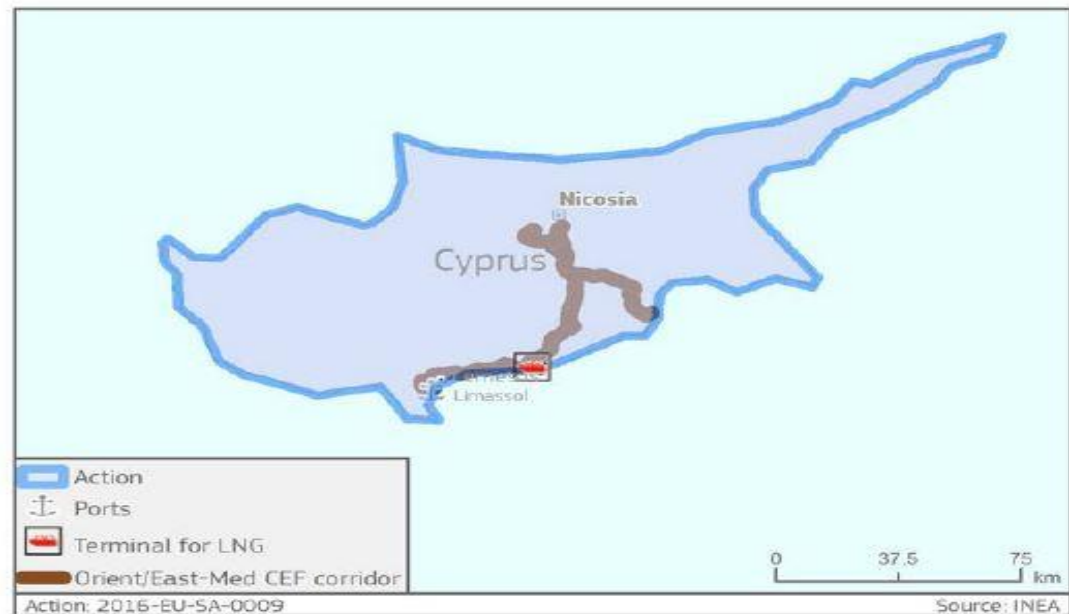
European Commission – Transport
<http://ec.europa.eu/transport>

European Commission – Energy
http://ec.europa.eu/energy/infrastructure/index_en.htm

Innovation and Networks Executive Agency (INEA)
<http://ec.europa.eu/inea>

CYnergy

2016-EU-SA-0009
Orient/East-Med Corridor
Part of PCI 7.3.2



The Action concerns optimisation studies required for the efficient establishment of an Integrated Storage, Transmission and Distribution System of natural gas in Cyprus, with regards to the energy (industrial and commercial users) and transport sectors (marine and road transport) in the form of Compressed Natural Gas (CNG) and Liquefied Natural Gas (LNG).

The CYnergy project takes as a focal point a floating LNG Facility to be developed in Cyprus and aims at developing a comprehensive strategy for the introduction and use of natural gas by the sectors of transport and energy in Cyprus.

Synergy Projects: H2

CEF Synergy : TSO2020 – A milestone for European deployment of innovation



● TEN-T's Island History & Immediate Funding Opportunity

- Trans-European Networks – Guidelines with maps in all member states incl. islands & some outermost regions.
- Connecting Europe Facility – Budget & Focus = Corridors & Energy PCIs
- Transport, Energy & ICT
 - » Large budgets (€33 billion, mostly for transport)
 - » Geographical restrictions (networks)
 - » Mainly infra-structure, but also vehicles: ships, ferries, etc
 - » Hard-core infra, but also soft-topics: innovations, MoS, logistics, transport management systems
- Many projects funded on EU islands, however no dedicated strategy. – *We aim to improve!*

Next Steps to Accelerate Innovation in Europe

- Current legislative status: CEF2 Common Agreement Reached

- » **(Solid) Basis: CEF 1 Financing of Transport Infrastructure** (26.5 billion grants & new fin.instr)
 - In general: very successful CEF financial format (concept & instruments): Large infra for all modes of transport, i.e. **including ports**, plus some vehicles, i.e. **including ferries (MoS, innov.)**
 - Specifically for **innovation part**: short deployment projects (legal base: „studies with integrated deployment“) i.e. 112 real-life trials 2010-2016 co-funded with 50% non-depreciation grants
 - Trials bridge "valley of death" to prepare market, thereby enabling strong private investment.
 - **It works**: 2017 & 18 many roll-outs into mass-market with blending (20% grants, total € 400 million grants, = 2 billion initial investment), plus even pure loans, it risk low enough, via Juncker, senior credit lines of banks, etc!
- » **CEF2 Proposal for 2021-2027 (06 June 2018, COM2018-438final)**
 - Total € 42.3 billion: transport (30.6), energy (8.7) & ICT (3.0)
 - Incl. € 11.3 billion earmarked for cohesion
 - 2 parts: network "development" & "**modernisation**"
 - Larger budget share for innovation being part of "modernisation": up to **40% (was 5%)**
 - Higher max. funding rates: general 60% / 30%, cohesion 85% / 70%
 - New topic: military mobility (6.500), ie dual purpose transport infra
 - Simplification & Modernisation: **synergy made easier – particularly great for holistic solutions!**

Organising Strong Private Investment in TEN-T/CEF (*)

- Market-sided Innovation : overcoming the "valley of death" in a systematic way

- Studies (50% grant): Market-sided innovation versus research-sided innovation
 - » *No research! No demos!* Under CEF. Real-life trials: pilot deployments, 112 projects.
 - » The dual optimisation process. – *reduction of unit costs & business-client relation. Short-term projects of experimental nature with focus on cost & clients.*
 - » All projects: <http://ec.europa.eu/transport/infrastructure/tentec/tentec-portal/site/en/innovation.html>
 - » Paper-output of study at the end of trial: lessons learnt & analysis on how to scale-up to do rollout; since 2015: *business plan for roll-out became contractual deliverable -> banks*
- Works (20% grant): "experiments are over, people know what they are doing"
 - *Amazing success in 2017 & 2018 : Results of the CEF Blending Call*
 - » Roll-out on (significant part of) corridor... *into the market!* -> Business Plan for Roll-out -> mainly with new fin.instruments EFSI, Juncker Plan, Blending/EIB, etc) -> Advisory Hub

● Future Funding Opportunities in CEF 1 (only 2019 & 2020 remaining) (1)

- Opened on 04/12/2018 (Annual) WP 2019 (works 20 to 40%, studies 50%)
 - » € 100 million on **comprehensive** network (ports on isolated areas = islands! - *google for „CEF Transport Calls“*)
 - » InfoDay 17 Jan. & recorded on website, Deadline 24 April, 2019
 - » 1) Large infrastructure priority €65 mio: **removing bottlenecks, rail interoperability, missing links, etc**
 - **Plus: Alternative Fuels & Energy**, incl. cold ironing, bunkering, plus waste from ships (= 3 sector synergies!!!)
 - **emphasis on transport** -
 - If no hinterland rail-freight network, removal of bottlenecks (on roads) for isolated areas (islands!) (upto 30% for works)
 - Safety & Security incl. on islands,
 - » 2) Innovation priority €35 mio: Rail Noise only
- (*) *Preliminary, EC adoption pending*

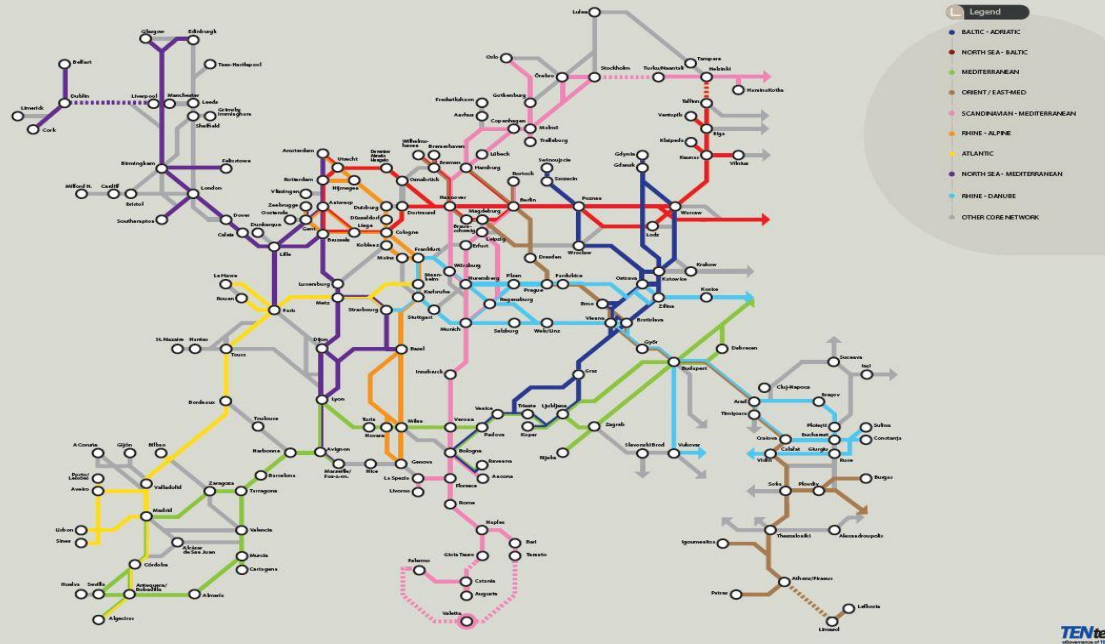
● Future Funding Opportunities in CEF 1 (only 2019 & 2020 remaining) (2)

- Blending Facility 2019-20 : €350 mio (Brexit reduction to 198 mio), - a new, efficient instrument (*) : Flexible : **core & comprehensive** TEN-T network ++
 - » Continuous submission & 1 Stop shop & simplified and shortend selection process
 - » Few topics: ERTMS & Innovation Art.33(a&b), i.e. alternative fuels; roads, shipping, rail; infra & vehicles
 - More Calls in 2019 & 2020 ? (*)
 - » Unclear due to current lack of budgets
 - » However 2020 Call likely due to budgetary back-flow from non-performing projects
 - » Synergy call (transport & energy) likely at end2019 / begin'2020
- (*) *Preliminary, EC adoption pending*



THE TEN-T CORE NETWORK AND CORRIDORS

SCHEME (RAILWAYS & BALANDWATERWAYS BASED ON THE OUTCOME OF THE INFORMAL TRILOGUE OF 27th JUNE 2013)



**THANK YOU
FOR YOUR
ATTENTION!**

Innovation Projects:

<http://ec.europa.eu/transport/infrastructure/tentec/tentec-portal/site/en/innovation.html>

TENtec Portal (info, maps etc):

<http://ec.europa.eu/transport/infrastructure/tentec/tentec-portal>