



**COUNCIL OF
THE EUROPEAN UNION**

Brussels, 31 May 2013

10060/13

**Interinstitutional File:
2011/0302 (COD)**

**TRANS 265
FIN 296
CADREFIN 121
POLGEN 83
REGIO 112
ENER 220
TELECOM 135
COMPET 356
MI 448
ECO 98
CODEC 1205**

REPORT

from: Council General Secretariat

to: COREPER/Council

No. prev. doc.: 9293/13 TRANS 213 FIN 249 CADREFIN 101 POLGEN 60 REGIO 87 ENER
167 TELECOM 102 COMPET 269 MI 367 ECO 79 CODEC 1007

No. Cion prop.: 16176/11 CADREFIN 117 POLGEN 177 REGIO 111 ENER 345 TRANS 292
TELECOM 161 COMPET 472 MI 533 ECO 129
+ REV 4 + ADD 1 + ADD 2

Subject: ***Preparation of the Council meeting (Transport, Telecommunications and Energy) on 10 June 2013***

Proposal for a Regulation of the European Parliament and of the Council
establishing the Connecting Europe Facility (first reading)

– *Progress report*

I. Introduction

1. On 24 October 2011, the Commission transmitted the above mentioned proposal to the European Parliament and to the Council. The Connecting Europe Facility (hereinafter referred to as the CEF) is part of the package proposed in the context of the next MFF.

2. The CEF lays down the general rules for the granting of Union financial aid in the field of the trans-European transport, energy and telecommunication networks, replacing the existing legal bases. Sectoral policy guidelines (TEN-T Guidelines, TEN-E Guidelines and INFISO Guidelines) determining priorities and complementary measures of implementation are also proposed in each sector.

II. Work within the Council

3. The Budget Committee has examined the proposal under the Danish Presidency. The above mentioned sectoral Working Parties provided input on sectoral specific issues to the Budget Committee. The Impact Assessment accompanying the CEF Regulation was presented by the Commission on 2 February 2012.
4. As some budgetary provisions of the CEF were related to the ongoing negotiations ongoing on the next MFF and on the new Financial Regulation, the Danish Presidency decided to leave them out of the scope of the partial general approach, which was reached at the TTE Council meeting of 7 June 2012 (doc. 11236/12).
5. The Cyprus Presidency established a specific procedure in order to deal with this proposal, through the setting-up of a Friends of the Presidency CEF working group as responsible for this file (doc. 12603/12).
6. A progress report was presented to the Transport, Telecommunications and Energy Council under the Cyprus Presidency (doc. 17107/12).
7. The last discussion on the CEF in the FoP (CEF) working group took place under the Irish Presidency on 30 May 2013.

8. The Irish Presidency has engaged in eleven technical meetings and five trilogues with the EP. The results of these discussions are reflected in the Annex to this report. Changes compared to the progress report endorsed under the Cyprus Presidency (doc. 17107/12) are marked with **bold** and ~~striketrough~~
9. Most issues relating to the transport field could be agreed with the EP (specific sectoral objectives in Article 4, eligibility in Article 7 and funding rates in Article 10).
10. No agreement could be reached yet with the EP on some provisions specifically related to energy. Compromise texts are still under development: the relevant texts (recitals 17, 38, 38a, 42a, 42b, 42c and Articles 7(3) and 7(3a) are therefore not reflected in the fourth column in the Annex.
11. As the amended Commission proposal for the INFSO Guidelines was only adopted on 28 May, the provisions related to the telecommunications field have not been discussed during the term of the Irish Presidency.
12. Items relating to the ongoing MFF negotiations are still open. The first issue relates to the amounts allocated in the financial envelope of the CEF (Article 5(1)). The percentage for the ceiling of programme support actions (Article 5(2)) is linked to the global amount of the CEF budget. As far as the issues relating to the EUR 10 billion transferred from the Cohesion Fund are concerned, as well as the question of the VAT eligibility (Article 8(7)), the EP indicated that the Presidency compromise proposals were acceptable. The same goes for the provisions concerning the financial instruments (Article 14, and most of Article 15). The EP also indicated that it could accept most of the wording presented by the Presidency in Part IV of the annex.

13. Other outstanding issues are listed hereafter:

- costs of the TEN-T Executive Agency (Articles 2(5) and 5(2));
- synergies (Articles 2(20a), 7(4a), 10(5), 17(7), 24(3) and 26(1));
- the possibility to adopt strategic orientations under delegated acts (with the annual and multi-annual work programmes being adopted by implementing acts);
- recitals to be examined when an agreement on the normative provisions has been reached;
- some technical adjustments might still be needed in the text of Part I of the Annex;
- the text of Part III of the Annex is pending the examination of the Guidelines by the telecommunications working group;
- discussions on the alignment of the rail freight corridors and core network corridors (Part V of the Annex) are still ongoing.

III. Conclusion

14. Coreper is invited to examine and endorse this progress report and transmit it to the TTE Council on 10 June 2013.

**Proposal for a REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL
ESTABLISHING THE CONNECTING EUROPE FACILITY**

COMMISSION PROPOSAL ST 16176/4/11 REV 4	EP AMENDMENTS (FIRST READING)	COUNCIL'S PROGRESS REPORT ST 17107/12	COMMENTS ¹
AM 1 CITATION			
Having regard to the Treaty on the Functioning of the European Union, and in particular <i>Article</i> 172 thereof,	Having regard to the Treaty on the Functioning of the European Union, and in particular <i>Articles</i> 172, <i>174 and 349</i> thereof,	Having regard to the Treaty on the Functioning of the European Union, and in particular Article 172 thereof,	<u>Agreed text:</u> Having regard to the Treaty on the Functioning of the European Union, and in particular Article 172 thereof,
AM 2 Recitals 1 to 3			
(1) The creation of the Connecting Europe Facility should maximise the potential for growth through the realisation of synergies between transport, energy and telecommunications policies and their implementation, thus enhancing the efficiency of the	(1) <i>In order to achieve smart, sustainable and inclusive growth and to stimulate job creation in line with the objectives of the Europe 2020 Strategy¹, the Union needs up-to-date, high-performance infrastructure to help connect and integrate the Union</i>		[Note: Presidency compromise proposals on the recitals to be discussed at a later stage]

¹ In the fourth column, the Presidency compromise proposal is in **bold underlined** and ~~strikethrough~~, where it proposes a modification to the Council's position.

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Union's intervention.	<i>and all its regions, especially in the fields of transport, energy and telecommunications. Those connections should help improve the free movement of people, goods, capital and ideas, by facilitating cross-border connections, while fostering greater economic, social and territorial cohesion, and hence should contribute to achieving a more competitive social market economy and to combating climate change.</i>		
	<i>(1a) There is an urgent need for financial simplification in order to seize the advantages of the potential synergies in the deployment, development and maintenance of the telecommunications and energy networks.</i>		

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<p>(2) A fully functioning single market depends on modern, highly performing infrastructure connecting Europe particularly in the areas of transport, energy and telecommunications. These growth enhancing connections would provide better access to the internal market and consequently contribute to a more competitive market economy in line with Europe 2020 Strategy's objectives and targets².</p>	<p><i>(2) The aim of the creation of a Connecting Europe Facility (CEF) is to accelerate investment in the field of trans-European networks and leverage funding from both the public and the private sectors, while increasing legal certainty and respecting the principle of technological neutrality. In that connection, the CEF should enable synergies between the transport, energy and telecommunications sectors to be harnessed to the full, thus enhancing the effectiveness of Union action and enabling implementing costs to be optimised.</i></p>		
	<p><i>(2a) The CEF reflects the needs of the priority industrial sectors for Europe. It will become an essential instrument for establishing a European industrial policy which is a source of sustainable growth.</i></p>		

² Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions “A Digital Agenda for Europe”, 26.8.2010, COM(2010) 245 final/2.

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(3) The creation of a Connecting Europe Facility aims at accelerating the investments in the field of trans-European networks and leverage funding from both the public and private sectors.	<i>(3) The financial envelope for the implementation of the CEF for the period 2014 to 2020 should be EUR 50 000 000 000, which is to be the prime reference for the budgetary authority during the annual budgetary procedure, within the meaning of point [17] of the Interinstitutional agreement of XX/XX/2013 between the European Parliament, the Council and the Commission on cooperation in budgetary matters and on sound financial management.</i>		
(4) The creation of efficient transport and energy infrastructure networks is one of the 12 key actions identified by the Commission in its Communication on a Single Market Act ³ .			

³ Communication from the Commission to the European Parliament, the Council, the Economic and Social Committee and the Committee of the Regions "Single Market Act Twelve levers to boost growth and strengthen confidence "Working together to create new growth"", 13.4.2011, COM(2011) 206 final.

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AM 3 Recital 5			
<p>(5) The Commission has committed to mainstream climate change into Union spending programmes and to direct at least 20% of the Union budget to climate-related objectives. It is important to ensure that climate change mitigation and adaptation as well as risk prevention and management are promoted in the preparation, design and implementation of projects of common interest. Infrastructure investments covered by this Regulation should contribute to promoting the transition to a low-carbon and climate- and disaster-resilient economy and society.</p>	<p>(5) The Commission has committed to mainstream climate change into Union spending programmes and to direct at least 20% of the Union budget to climate-related objectives. It is important to ensure that climate change mitigation and adaptation as well as risk prevention and management are promoted in the preparation, design and implementation of projects of common interest. Infrastructure investments covered by this Regulation should contribute to promoting the transition to a low-carbon and climate- and disaster-resilient economy and society, <i>taking into account the specificities of regions with natural and demographic disadvantages, in particular the outermost and island regions. In the energy and transport sectors in particular, the CEF should contribute to the Union's mid-term and long-term objectives in terms of decarbonisation.</i></p>		

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AM 4 Recital 5a (new)			
	<i>(5a) The Commission should ensure that international agreements and standards applicable within the internal market are applied even-handedly to the Member States, without causing distortions of competition, in order to ensure the success of European undertakings in the face of global competition.</i>		

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<p>(6) The European Parliament in its 8 June 2011 Resolution on "Investing in the future: a new Multiannual Financial Framework ("MFF") for a competitive, sustainable and inclusive Europe" stressed the importance of ensuring the rapid execution of the Union's Digital Agenda and of continuing efforts towards reaching by 2020 the targets of making the access to high-speed internet available to all Union citizens, also in less developed regions.⁴ The Parliament also underlined that investing in effective transport infrastructure had a key role for Europe to defend its competitiveness and pave the way for post crisis, long term economic growth and that the trans-European transport network ("TEN-T") was vital in order to guarantee the proper functioning of the internal market and provide important Union added value. The Parliament expressed that it strongly believed that TEN-T should, accordingly, be a key</p>			

⁴ European Parliament resolution 2010/2211(INI).

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<p>priority in the next MFF and that an increase in TEN-T funds is necessary in the next MFF. In addition, the Parliament emphasised the need to maximise the impact of Union funding and the opportunity offered by the Cohesion and Structural Funds and financial instruments to fund key national and cross-border European priority energy infrastructure projects and stressed the need for a substantial allocation from the Union budget for financial instruments in this field.</p>			
AM 5 Recital 6a (new)			
	<p><i>(6a) With a view to financing infrastructure in cross-border regions as part of the development of the network as a whole, strong synergies should be generated between the financing instruments of the CEF and the European Regional Development Fund.</i></p>		

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AM 6 Recital 7			
<p>(7) On 28 March 2011, the Commission adopted the White Paper "A Roadmap to a Single Transport Area — Towards a competitive and resource-efficient transport system"⁵. The White Paper aims at reducing by at least 60% the greenhouse gas emissions ("GHG") of the transport sector by 2050 with respect to 1990. As far as infrastructure is concerned, the White Paper aims at establishing a fully functional and Union-wide multimodal TEN-T 'core network' by 2030. The White Paper also aims at optimising the performance of multimodal logistic chains, including by making greater use of more energy-efficient modes. Therefore, it sets the following relevant targets for TEN-T policy: 30% of road freight over 300 km should shift to other modes by 2030, and more than 50% by 2050; the length of the existing high-speed rail network should triple by</p>	<p>(7) On 28 March 2011, the Commission adopted the White Paper "A Roadmap to a Single Transport Area — Towards a competitive and resource-efficient transport system". The White Paper aims at <i>reducing</i> by at least 60% the greenhouse gas emissions ('GHG') of the transport sector by 2050 with respect to 1990. As far as infrastructure is concerned, the White Paper aims at establishing a fully functional and <i>interoperable</i> Union-wide multimodal TEN-T 'core network' by 2030. <i>Interoperability could be enhanced by innovative solutions that improve compatibility between the systems involved.</i> The White Paper also aims at optimising the performance of multimodal logistic chains, including by making greater use of more energy-efficient modes. Therefore, it sets the following relevant targets for TEN-T policy: 30% of road freight over 300 km</p>		

⁵ A Roadmap to a Single Transport Area (COM(2011) 144).

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<p>2030 and by 2050 the majority of medium-distance passenger transport should go by rail; by 2050, all core network airports should be connected to the rail network; all seaports to the rail freight and, where possible, to the inland waterway system.</p>	<p>should shift to other modes by 2030, and more than 50% by 2050; the length of the existing high-speed rail network should triple by 2030 and by 2050 the majority of medium-distance passenger transport should go by rail; by 2050, all core network airports should be connected to the rail network; all seaports to the rail freight and, where possible, to the inland waterway system.</p>		

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AM 7 Recital 8			
<p>(8) The European Parliament in its Resolution of 6 July 2010 on a sustainable future for transport⁶ emphasised that an efficient transport policy required a financial framework that was appropriate to the challenges arising and that, to that end, the current resources for transport and mobility should be increased; it further considered necessary the creation of a facility to coordinate the use of different sources of transport funding, funds available under cohesion policy, public-private partnerships ("PPPs") or other financial instruments such as guarantees.</p>	<p>(8) The European Parliament, in its <i>resolution</i> of 6 July 2010 on a sustainable future for transport, emphasised that an efficient transport policy required a financial framework that was appropriate to the challenges arising and that, to that end, the current resources for transport and mobility should be increased, <i>in the various budget lines relating to them</i>; it further considered necessary the creation of a facility to coordinate <i>and optimise</i> the use of different sources of transport funding <i>and of all the financial means and mechanisms available at Union level</i>.</p>		

⁶ European Parliament resolution 2009/2096(INI).

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<p>(9) The Transport, Telecommunication and Energy (TTE) Council, in its conclusions of 11 June 2009 on the TEN-T policy review⁷ reaffirmed the need to continue investing in transport infrastructure to ensure proper development of the TEN-T in all transport modes, as a basis for the internal market and competitiveness, economic, social and territorial cohesion of the Union and its connection to neighbouring countries, focusing on the European added value. The Council underlined the need for the Community to make available the financial resources necessary to stimulate investment in TEN-T projects and, in particular, the need to reconcile adequate financing support from the TEN-T budget to the priority projects which involve relevant cross-border sections and the implementation of which would extend beyond 2013 within the institutional constraints of the financial programming framework.</p>			

⁷ Council document 10850/09.

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In the view of the Council, public-private partnership approaches should be further developed and supported in this context where appropriate.			
AM 8 Recital 9a (new)			
	<p><i>(9a) The Multiannual Financial Framework (2007-2013) showed that a limited budget for the TEN-T prevents progress being made on the biggest projects, particularly cross-border projects. An adequate European budgetary framework for the TEN-T would not only make it more attractive to private investment, but also ensure a greater national political will with regard to European projects, and therefore better cooperation between the Member States involved in a cross-border project. The Union should be more ambitious about major European infrastructure projects, the complexity and scale of which mean that the budget allocated to them should be revised upwards and that the budgetary rules</i></p>		

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	<i>applying to them should be adapted. The new TEN-T guidelines should be given the budgetary and regulatory means necessary for their achievement.</i>		
AM 9 Recital 10			
(10) On the basis of the objectives set by the White Paper, the TEN-T guidelines as laid down in Regulation (EU) No XXX/2012 of the European Parliament and of the Council of ... ⁸ identify the infrastructure of the trans-European transport network, specify the requirements to be fulfilled by it and provide for measures for their implementation. The Guidelines envisage in particular the completion of the core network by 2030.	(10) On the basis of the objectives set by the White Paper, the TEN-T guidelines as laid down in Regulation (EU) No XXX/2012 of the European Parliament and of the Council of ... identify the infrastructure of the <i>TEN-T</i> , specify the requirements to be fulfilled by it and provide for measures for their implementation. The <i>guidelines</i> envisage in particular the completion of the core network by 2030 <i>through the creation of new infrastructure as well as the substantial upgrading of existing infrastructure.</i>		

⁸ OJ L..., p.

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AM 10 Recital 11			
<p>(11) Based on an analysis of the transport infrastructure plans of Member States, the Commission estimates that investment needs in transport amount to EUR 500 billion in the entirety of the TEN-T network for the period 2014-2020, of which an estimated EUR 250 billion will need to be invested in the core network of the TEN-T. Given the resources available at Union level, concentration on the projects with the highest European added value is necessary to achieve the desired impact. Support should therefore be focussed on the core network (in particular, the core network corridors) and on the projects of common interest in the field of traffic management systems (notably the air traffic management systems resulting from SESAR which require Union budgetary resources of about EUR 3 billion).</p>	<p>(11) Based on an analysis of the transport infrastructure plans of Member States, the Commission estimates that investment needs in transport amount to EUR 500 billion in the entirety of the TEN-T network for the period 2014-2020, of which an estimated EUR 250 billion will need to be invested in the core network of the TEN-T.</p>		

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			<p><u>Presidency compromise proposal: (11a) The geographical alignment of Rail Freight Corridors foreseen under Regulation (EU) No 913/2010⁹ and core network corridors should be ensured where appropriate, taking into consideration the objectives of the respective instruments, in order to reduce administrative burden and streamline the development and use of the railway infrastructure.</u></p>

⁹ Regulation (EU) No 913/2010 of the European Parliament and of the Council of 22 September 2010 concerning a European rail network for competitive freight, OJ L 276, 20.10.2010, p. 22–32.

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<p>(12) Within the framework of the TEN-T policy review launched in February 2009, a dedicated expert group was created to support the Commission and look into the issue of the funding strategy and financing perspectives for the TEN-T. Expert Group No 5 drew from the experience of external experts from various fields: infrastructure managers, infrastructure planners, national, regional and local representatives, environmental experts, academia, and private sector representatives. The final report of Expert Group No 5¹⁰ adopted in July 2010 contains 40 recommendations, some of which have been taken into account in this proposal.</p>			

¹⁰ http://ec.europa.eu/transport/infrastructure/ten-t-policy/review/doc/expert-groups/expert_group_5_final_report.pdf.

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AM 11 Recital 12a (new)			
	<p><i>(12a) In order to measure the effectiveness of the support provided by the Union to transport infrastructure and the contribution to the objectives laid down in this Regulation, the Commission should develop a common methodology that will clearly demonstrate the benefits of the funded projects in economic and environmental terms.</i></p>		
AM 12 Recital 13			
<p>(13) Experience with the current financial framework shows that many Member States, which are eligible to the Cohesion Fund, are facing significant obstacles in delivering on time complex cross-border transport infrastructure projects with a high Union added value. Therefore, in order to improve the delivery of transport projects, in particular cross-border ones, with a high Union added</p>	<p>(13) Experience with the current financial framework shows that <i>some</i> Member States which are eligible <i>for</i> the Cohesion Fund are facing significant obstacles in delivering on time complex cross-border transport infrastructure projects with a high Union added value, <i>as well as allowing efficient use of European funds</i>. Therefore, in order to improve the delivery of transport projects – in particular</p>		

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<p>value, part of the Cohesion Fund allocation (EUR 10 billion¹¹) should be transferred to finance transport projects on the transport core network in the Member States eligible to the Cohesion Fund under the Connecting Europe Facility. The Commission should support Member States eligible to the Cohesion Fund to develop an adequate pipeline of projects in order to give greatest possible priority to the national allocations under the Cohesion Fund.</p>	<p>cross-border ones – with a high Union added value, part of the Cohesion Fund allocation (EUR 10 billion) should be transferred to finance transport projects on the transport core network <i>(and in particular the core network corridors) or transport projects related to horizontal priorities</i> in the Member States eligible for the Cohesion Fund under the CEF. <i>In an initial phase, the selection of projects eligible for financing should respect the national allocations under the Cohesion Fund.</i> The Commission should support Member States eligible for the Cohesion Fund to develop an adequate pipeline of projects, <i>in particular by strengthening the institutional capacity of the public administrations concerned and by organising additional calls for proposals, while ensuring a transparent process for the selection of projects.</i></p>		

¹¹ In 2011 prices.

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AM 13 Recital 13a (new)			
	<i>(13a) Institutional and administrative capacity are essential prerequisites for effective delivery of the objectives of the CEF. The Commission should ensure that these are always at a sufficient level to permit the design and implementation of projects, and should wherever necessary offer appropriate means to the Member State concerned.</i>		
(14) In the Communication on "Energy infrastructure priorities for 2020 and beyond – a Blueprint for an integrated energy network" adopted in November 2010 ¹² , the Commission identified the priority corridors, which are necessary to allow the Union to meet its ambitious energy and climate targets by 2020 for completing the internal energy market, ensuring security of supply, enabling the			

¹² Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions "Energy infrastructure priorities for 2020 and beyond – a Blueprint for an integrated energy network", 17.11.2010, COM(2010) 677 final.

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integration of renewable sources of energy and to prepare the networks for further decarbonisation of the energy system beyond 2020.			
AM 14 Recital 15			
<p>(15) Major investments are needed to modernise and expand Europe's energy infrastructure and to interconnect networks across borders to meet the Union's energy and climate policy objectives of competitiveness, sustainability and security of supply in a cost-effective way. The estimated investment needs in energy infrastructure up to 2020 amount to EUR 1 trillion, of which ca. EUR 200 billion in electricity and gas transmission and storage infrastructures considered of European relevance. Among projects of European relevance, approximately EUR 100 billion of investments is at risk of not being delivered due to obstacles related to permit granting, regulation and financing.</p>	<p>(15) Major investments are needed to modernise and expand Europe's energy infrastructure and to interconnect networks across borders, <i>putting an end to the existence of energy islands, in order</i> to meet the Union's energy and climate policy objectives of competitiveness, sustainability and security of supply in a cost-effective way. <i>Long-distance electricity highways will help significantly to overcome the variability of renewable sources of electricity by sharing and distributing those resources throughout the Union.</i> The estimated investment needs in energy infrastructure up to 2020 amount to EUR 1 trillion, <i>including approximately</i> EUR 200 billion in electricity and gas transmission and storage infrastructures considered</p>		<p>Presidency compromise proposal: <u>(15) Major investments are needed to modernise and expand Europe's energy infrastructure and to interconnect networks across borders and end the energy isolation of Member States, in order to meet the Union's energy and climate policy objectives of competitiveness, sustainability and security of supply in a cost-effective way. The estimated investment needs in energy infrastructure up to 2020 amount to EUR 1 trillion, including approximately EUR 200 billion in electricity and gas transmission and storage infrastructures considered to be of European relevance. Among projects of European relevance, approximately EUR 100 billion of investments is at risk of not being</u></p>

COMMISSION PROPOSAL ST 16176/4/11 REV 4	EP AMENDMENTS (FIRST READING)	COUNCIL'S PROGRESS REPORT ST 17107/12	COMMENTS ¹
	<p><i>to be of European relevance. Among projects of European relevance, approximately EUR 100 billion of investments is at risk of not being delivered due to obstacles related to permit granting, regulation and financing, according to the Commission Staff Working Paper submitted to the Transport, Telecommunications and Energy Council of 10 June 2011, entitled "Energy infrastructure investment needs and financing requirements".</i></p>		<p><u>delivered due to obstacles related to permit granting, regulation and financing, according to the Commission Staff Working Paper submitted to the Transport, Telecommunications and Energy Council of 10 June 2011, entitled "Energy infrastructure investment needs and financing requirements".</u></p>
<p>(16) The urgency to build the energy infrastructure of the future and the significant increase in investment volumes compared to past trends requires a step change in the way energy infrastructure is supported at EU level. In its conclusions¹³ the Transport, Telecommunication and Energy (TTE) Council of 28 February 2011 endorsed the energy corridors as priorities for Europe.</p>			

¹³ Council document 6950/11.

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AM 15 Recital 17			
<p>(17) The 4 February 2011 European Council¹⁴ called upon the Commission to streamline and improve authorisation procedures and to promote a regulatory framework attractive to investment. The European Council underlined that the bulk of the investment would have to be delivered by the market with costs recovered through tariffs. The European Council recognised that public finance was needed for projects required from a security of supply or solidarity perspective, which were unable to attract market based financing.</p>	<p>(17) The 4 February 2011 European Council called upon the Commission to streamline, <i>simplify, speed up</i> and improve authorisation procedures and to promote a regulatory framework attractive to investment. The European Council underlined that the bulk of the investment would have to be delivered by the market with costs recovered through tariffs. The European Council recognised that public finance was needed for projects required from a security of supply or solidarity perspective, which were unable to attract market-based financing. <i>It also underlined that major efforts are needed to modernise and expand Europe's energy infrastructure and to interconnect networks across borders, in order to ensure that solidarity between Member States become operational, to provide for alternative supply or transit routes and sources of</i></p>		<p><u>Compromise text under development.</u></p>

¹⁴ EUCO 2/1/11.

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	<i>energy and to develop renewable energy sources in competition with traditional sources.</i>		
<p>(18) Regulation (EU) No XXX/2012 of the European Parliament and of the Council of ... [Guidelines for trans-European energy infrastructure]¹⁵ defines trans-European energy infrastructure priorities, which should be implemented by 2020 to meet the Union's energy and climate policy objectives; sets rules to identify projects of common interest necessary to implement these priorities, introduces measures in the field of permit granting, public involvement and regulation to speed up and/or facilitate the implementation of these projects, including criteria for general eligibility of such projects for Union financial aid.</p>			

¹⁵ OJ L..., p.

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AM 16 Recital 19			
<p>(19) Telecommunications are increasingly becoming internet-based infrastructures, with broadband networks and digital services closely interrelated. The internet is becoming the dominant platform for communication, offering services, and doing business. Therefore the trans-European availability of fast Internet access and digital services is essential for economic growth and the Single Market.</p>	<p>(19) Telecommunications are increasingly becoming internet-based infrastructures, with broadband networks <i>infrastructure catalysing the use of</i> digital services <i>across a whole range of activities in society</i>. The internet is becoming the dominant platform for communication, <i>for doing business, for providing public and private services, and for social and cultural cohesion. Furthermore, cloud computing and software-as-a-service emerge as the new paradigms of computing.</i> Therefore, the trans-European availability of <i>ubiquitous</i>, fast <i>internet</i> access and <i>innovative</i> digital services is essential for economic growth and the <i>single market</i>.</p>		<p>INFSO Guidelines on hold - to be discussed later</p>

COMMISSION PROPOSAL ST 16176/4/11 REV 4	EP AMENDMENTS (FIRST READING)	COUNCIL'S PROGRESS REPORT ST 17107/12	COMMENTS ¹
AM 17 Recital 20			
<p>(20) Modern, fibre-based internet networks are a crucial infrastructure for the future in terms of connectivity for European companies, in particular SMEs that want to use cloud computing in order to improve cost-efficiency.</p>	<p>(20) Modern, <i>fast</i> internet networks are a crucial infrastructure for the future in terms of connectivity for European companies, in particular SMEs, that want to use cloud computing in order to improve cost-efficiency. <i>In the field of telecommunications, special emphasis will be given to actions which support cloud and ultra-fast wireless networks deployment objectives. In order to avoid duplication of infrastructure, prevent the displacement of private investment and enhance capacity-building to create new investment opportunities and to promote the implementation of cost-reduction measures, actions should be taken to improve coordination of Union support to broadband from the CEF and broadband support from all other available sources, including through national broadband plans.</i></p>		<p>INFSO Guidelines on hold - to be discussed later</p>

COMMISSION PROPOSAL ST 16176/4/11 REV 4	EP AMENDMENTS (FIRST READING)	COUNCIL'S PROGRESS REPORT ST 17107/12	COMMENTS ¹
AM 18 Recital 21			
<p>(21) The Europe 2020 Strategy¹⁶ calls for the implementation of the Digital Agenda for Europe¹⁷ that establishes a stable legal framework to stimulate investments in an open and competitive high speed internet infrastructure and in related services. The June 2010 European Council endorsed the Digital Agenda for Europe and called upon all institutions to engage in its full implementation.¹⁸</p>	<p>(21) The Europe 2020 Strategy calls for the implementation of the Digital Agenda for Europe that establishes a stable legal framework to stimulate <i>investment</i> in an open and competitive high-speed internet infrastructure and in related services. <i>The aim should be for Europe to have the fastest broadband speeds in the world by seeking to ensure that by 2020 Europeans have access to 100 Mbps and that 50% of households in the Union have access to 1 Gbps, where possible, or more.</i></p>		<p>INFSO Guidelines on hold - to be discussed later</p>

¹⁶ COM(2010) 2020 final 03.03.2010.

¹⁷ Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions “A Digital Agenda for Europe”, 26.8.2010, COM(2010) 245 final/2.

¹⁸ European Council conclusions on a new European strategy for growth and jobs – Finalising and implementing the Europe 2020 strategy, 17 June 2010.

COMMISSION PROPOSAL ST 16176/4/11 REV 4	EP AMENDMENTS (FIRST READING)	COUNCIL'S PROGRESS REPORT ST 17107/12	COMMENTS ¹
AM 19 Recital 22			
<p>(22) On 31 May 2010, the Council concluded that Europe should put the necessary resources into the development of a digital single market based on fast and ultra fast internet and interoperable applications and acknowledged that efficient and competitive investment in next generation broadband networks would be important for innovation, consumer choice and for the competitiveness of the Union and could provide better quality of life through better health care, safer transport, new media opportunities and easier access to goods and services in particular across borders.¹⁹</p>	<p>(22) On 31 May 2010, the Council concluded that Europe should put the necessary resources into the development of a digital single market based on fast and ultra-fast internet and interoperable applications, and acknowledged that efficient and competitive investment in next-generation broadband networks would be necessary for innovation, consumer choice and the competitiveness of the Union, and could provide better quality of life through better health care, safer transport, new media opportunities and easier access to goods, services and knowledge, in particular across borders.</p>		<p>INFSO Guidelines on hold - to be discussed later</p>

¹⁹ Council conclusions on Digital Agenda for Europe - 3017th Transport, Telecommunications and Energy Council meeting Brussels, 31 May 2010.

COMMISSION PROPOSAL ST 16176/4/11 REV 4	EP AMENDMENTS (FIRST READING)	COUNCIL'S PROGRESS REPORT ST 17107/12	COMMENTS ¹
<p>(23) The private incentives to invest in very fast broadband networks appear to be lower than benefits for the society as a whole. The investment needs for achieving the Digital Agenda objective of providing fast Internet access for all European citizens and businesses are estimated to reach up to EUR 270 billion. However, in the absence of Union intervention, private sector investment is expected to be not more than EUR 50 billion for the period until 2020. The resulting investment gap represents a major bottleneck to infrastructure provision, while at the same time the Digital Single Market relies on all citizens to be connected via the infrastructure of the future.</p>			<p>INFSO Guidelines on hold - to be discussed later</p>

COMMISSION PROPOSAL ST 16176/4/11 REV 4	EP AMENDMENTS (FIRST READING)	COUNCIL'S PROGRESS REPORT ST 17107/12	COMMENTS ¹
AM 20 Recital 23a (new)			
	<p><i>(23a) Consequently, it is essential to stimulate, in accordance with the principle of technological neutrality, Union-wide deployment of fast and ultra-fast broadband networks and to facilitate the development and deployment of trans-European digital services. Public investment in fast and ultra-fast broadband networks must not lead to market distortions or create disincentives to invest. It should be used to attract private investment and only in cases where there is a lack of commercial interest to invest.</i></p>		<p>INFSO Guidelines on hold - to be discussed later</p>

COMMISSION PROPOSAL ST 16176/4/11 REV 4	EP AMENDMENTS (FIRST READING)	COUNCIL'S PROGRESS REPORT ST 17107/12	COMMENTS ¹
AM 21 Recital 24			
<p>(24) It is necessary to develop strong and coherent EU-wide networks for the digital delivery of public-good actions, involving both public and civil society actors at national and regional level, and to this end it is essential to ensure the structured EU financing of the costs of the system and software design, as well as maintenance of a resilient hub for such networks, leaving only in-country costs for national operator budgets.</p>	<p>(24) It is necessary to develop strong and coherent <i>Union</i>-wide networks for the digital delivery of public-good actions, involving both public and civil society actors at national, regional and local level, and to this end it is essential to ensure the structured financing <i>by the Union</i> of the costs of the system and software design, as well as the cybersecurity and maintenance of a resilient hub for such networks, leaving only in-country costs for national operator budgets. <i>In order to complete the digital single market, close cooperation and coordination of activities under the CEF with the national and regional broadband actions should be ensured.</i></p>		<p>INFSO Guidelines on hold - to be discussed later</p>

COMMISSION PROPOSAL ST 16176/4/11 REV 4	EP AMENDMENTS (FIRST READING)	COUNCIL'S PROGRESS REPORT ST 17107/12	COMMENTS ¹
AM 22 Recital 25			
(25) Several methods of implementation are necessary and require different funding rates to increase the efficiency and impact of the Union financial aid, to encourage private investment, and to respond to the specific requirements of individual projects.	(25) Several methods of implementation are necessary and require different funding rates <i>and financial instruments</i> to increase the efficiency and impact of the Union financial aid, to encourage private investment, and to respond to the specific requirements of individual projects.		INFSO Guidelines on hold - to be discussed later
(26) In the area of telecommunications certain core service platforms which ensure trans-European interoperability will need a higher funding rate from the Union, in particular in the start-up phase, while respecting the co-financing principle.			INFSO Guidelines on hold - to be discussed later

COMMISSION PROPOSAL ST 16176/4/11 REV 4	EP AMENDMENTS (FIRST READING)	COUNCIL'S PROGRESS REPORT ST 17107/12	COMMENTS ¹
<p>(27) Ensuring cross-border interoperability in the deployment of large scale infrastructure projects, in particular at the level of core services, may require simultaneous procurement and installation of equipment by the Commission, Member State and/or their beneficiaries. In such cases, Union financial aid may need to be allocated to procurements executed by infrastructure providers in Member States, either on their own behalf or in cooperation with the Commission. Provisions also enable multiple sourcing, which may be needed, <i>inter alia</i>, to provide for multi-language arrangements, to ensure security of supply and/or to implement network redundancy that is required to eliminate infrastructure network downtime that could be caused by a single point of failure.</p>			<p>INFSO Guidelines on hold - to be discussed later</p>

COMMISSION PROPOSAL ST 16176/4/11 REV 4	EP AMENDMENTS (FIRST READING)	COUNCIL'S PROGRESS REPORT ST 17107/12	COMMENTS ¹
AM 23 Recital 28			
<p>(28) Generic services in areas of public interest (as core services) are often affected by a strong degree of market failures. Indeed, the areas to be funded relate to public service delivery (eHealth, eIdentity, eProcurement large scale deployment and interoperability) hence not commercial by definition at a starting level. In addition, if only core services are funded, the challenge would be to create the right incentives at Member State and regional level to actually deploy services of public interest: this is due particularly to lack of incentive at national level to link national systems to the core systems (hence develop conditions for interoperability and cross-border services) as well as to the fact that private investors would not alone ensure service deployment within interoperable frameworks.</p>	<p>(28) Generic services in areas of public interest (as core services) are often affected by a strong degree of market failures. Indeed, the areas to be funded relate to public service delivery (eGovernment, eHealth, eIdentity, eLearning, eProcurement and digitisation of the European cultural heritage), large scale deployment and interoperability <i>and are hence, by definition</i>, not commercial at a starting level. In addition, if only core services <i>were</i> funded, the challenge would be to create the right incentives at Member State and regional level to actually deploy services of public interest: this is due particularly to a lack of <i>incentives</i> at national level to link national systems to the core systems (<i>and hence to</i> develop conditions for interoperability and cross-border services) as well as to the fact that private investors would not alone ensure service deployment within interoperable frameworks. Projects of common interest relating to cross-border</p>		<p>INFSO Guidelines on hold - to be discussed later</p>

COMMISSION PROPOSAL ST 16176/4/11 REV 4	EP AMENDMENTS (FIRST READING)	COUNCIL'S PROGRESS REPORT ST 17107/12	COMMENTS ¹
	<p><i>delivery of eGovernment services should take into account the 25 recommendations of the European Interoperability Framework for European public services (EIF) that address specific interoperability requirements, as well as the possibility of using open-source solutions already implemented in the public sector throughout Europe.</i></p>		
<p>(29) The digital guidelines as laid down in Regulation (EU) No XXX/2012 of the European Parliament and of the Council of ...²⁰ [INFSO guidelines] identify the process and criteria for financing and also the various categories for investments.</p>			<p>INFSO Guidelines on hold - to be discussed later</p>

²⁰ OJ L..., p.

COMMISSION PROPOSAL ST 16176/4/11 REV 4	EP AMENDMENTS (FIRST READING)	COUNCIL'S PROGRESS REPORT ST 17107/12	COMMENTS ¹
AM 24 Recital 29a (new)			
	<p><i>(29a) The deployment of cross-border services by the establishment of electronic procedures for moving from one European country to another will make it possible to deal electronically with all necessary administrative procedures, facilitating the mobility of Europeans while making it less costly. Consequently, those services have the potential to improve the ease with which Europeans can work, study and reside in any Member State, through single contact points for registration of changes of address with all public authorities in the target country (local authority, school, doctor, police, etc.) using the source-country electronic identity.</i></p>		<p>INFSO Guidelines on hold - to be discussed later</p>

COMMISSION PROPOSAL ST 16176/4/11 REV 4	EP AMENDMENTS (FIRST READING)	COUNCIL'S PROGRESS REPORT ST 17107/12	COMMENTS ¹
AM 25 Recital 30			
<p>(30) Horizon 2020 – the future Framework Programme for Research and Innovation will focus among others on tackling societal challenges (e.g. smart, green and integrated transport, and secure, clean and efficient energy, and information and communication technology-enabled health, government and sustainable development) in order to respond directly to the challenges identified in the Europe 2020 Strategy by supporting activities covering the entire spectrum from research to market. Horizon 2020 will support all stages in the innovation chain, especially activities closer to the market including innovative financial instruments. With the aim to achieve a greater impact of the Union funding and in order to ensure coherence, the Connecting Europe Facility will develop close synergies with Horizon 2020.</p>	<p>(30) Horizon 2020 – the future Framework Programme for Research and Innovation –will focus <i>inter alia</i> on tackling societal challenges (e.g. smart, green, <i>accessible</i> and integrated transport, secure, clean and efficient energy, and information- and communication technology-enabled health, government and sustainable development) in order to respond directly to the challenges identified in the Europe 2020 Strategy by supporting activities covering the entire spectrum from research to market. Horizon 2020 will support all stages in the innovation chain, especially activities closer to the market including innovative financial instruments. <i>Furthermore, the European Institute of Innovation and Technology (EIT) pursues the same objectives in tackling those societal challenges, focusing on the exploitation of research results and the development of innovative products and services.</i> With the</p>		<p>INFSO Guidelines on hold - to be discussed later</p>

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	aim of <i>ensuring that</i> the Union funding <i>has a greater impact</i> , and in order to ensure coherence, the CEF will develop close synergies with Horizon 2020 <i>and the EIT</i> .		
AM 26 Recital 30a (new)			
	<i>(30a) In its Communication entitled "Towards a European road safety area: policy orientations on road safety 2011-2020", the Commission set a framework for policy actions in favour of safe infrastructure as a key element to reduce road casualties by 50% by 2020. The CEF should therefore ensure that requests for Union funding comply with the safety requirements, recommendations and targets established in all relevant Union legislation on road safety. The evaluation of the performance of the CEF should take into account the reduction of casualties on the road network of the EU 27.</i>		

COMMISSION PROPOSAL ST 16176/4/11 REV 4	EP AMENDMENTS (FIRST READING)	COUNCIL'S PROGRESS REPORT ST 17107/12	COMMENTS ¹
(31) The European Union and most Member States are party to the United Nations Convention on the Rights of Persons with Disabilities while the remaining Member States are in the process of ratifying it. It is important in the implementation of the relevant projects that accessibility for persons with disabilities as mentioned in article 9 of the Convention is considered in the specification of the projects.			
AM 27 Recitals 32 to 39a			
(32) The financial instruments to be implemented under this Regulation should reflect the rules provided in Title VIII of Regulation (EU) No XXX/2012 [New financial regulation] and the Delegated Act and in line with best practice rules applicable to financial instruments. ²¹	<i>deleted</i>		

²¹ COM(2011)xxx, A framework for the next generation of financial instruments.

COMMISSION PROPOSAL ST 16176/4/11 REV 4	EP AMENDMENTS (FIRST READING)	COUNCIL'S PROGRESS REPORT ST 17107/12	COMMENTS ¹
<p>(33) Fiscal measures in many Member States will drive or have already driven public authorities to reassess their infrastructure investment programmes. In this context, PPPs have been viewed as an effective means of delivering infrastructure projects ensuring the achievement of policy objectives such as combating climate change; promoting alternative energy sources as well as energy and resource efficiency, supporting sustainable transport and the deployment of broadband networks. The Commission committed in its PPP Communication of 19 November 2009²² to improving access to finance for PPPs by broadening the scope of existing financial instruments.</p>			

²² Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions “Mobilising private and public investment for recovery and long term structural change: developing Public Private Partnerships”, COM(2009) 615 final.

COMMISSION PROPOSAL ST 16176/4/11 REV 4	EP AMENDMENTS (FIRST READING)	COUNCIL'S PROGRESS REPORT ST 17107/12	COMMENTS ¹
<p>(34) Even though the bulk of the investment under Europe 2020 Strategy can be delivered by markets and regulatory measures, the financing challenge require public interventions and Union support by grants and innovative financial instruments. Financial instruments should be used to address specific market needs, in line with the objectives of the Connecting Europe Facility, and should not crowd out private financing. Before deciding to use financial instruments, the Commission should carry out ex-ante assessments of these instruments.</p>	<p>(34) Even though <i>a large proportion</i> of the investment under <i>the</i> Europe 2020 Strategy can be delivered by markets and regulatory measures, the financing <i>challenges</i> require public interventions and Union support by grants and innovative financial instruments.</p>		
	<p><i>(34a) To optimise utilisation of the Union's budget in the form of grants, these should be reserved for projects that generate little or no income.</i></p>		

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	<i>(34b) In order to ensure equality between, on the one hand, transport projects that already apply the 'user pays' principle on a mandatory basis and, on the other hand, those that do not levy charges on users, the Union should also provide financing through grants for transport projects that generate income.</i>		
	<i>(34c) Fiscal measures in Member States should drive public authorities to promote renewable energy sources as well as energy efficiency and resource efficiency.</i>		<u>EP amendment not acceptable</u>

COMMISSION PROPOSAL ST 16176/4/11 REV 4	EP AMENDMENTS (FIRST READING)	COUNCIL'S PROGRESS REPORT ST 17107/12	COMMENTS ¹
	<p><i>(34d) Fiscal measures in many Member States or regions with devolved powers will drive, or have already driven, public authorities to reassess their infrastructure investment programmes. In this context, public-private partnerships (PPPs) should function as an effective means of delivering infrastructure projects ensuring the achievement of policy objectives such as combating climate change, promoting renewable energies and energy and resource efficiency, supporting sustainable transport and the deployment of broadband networks. The Commission committed in its PPP Communication of 19 November 2009 to improving access to finance for PPPs by broadening the scope of existing financial instruments.</i></p>		

COMMISSION PROPOSAL ST 16176/4/11 REV 4	EP AMENDMENTS (FIRST READING)	COUNCIL'S PROGRESS REPORT ST 17107/12	COMMENTS ¹
<p>(35) The EU Budget Review²³ emphasised that the norm for projects with long-term commercial potential should be the use of Union funds in partnership with the financial and banking sectors, particularly the European Investment Bank ("EIB") and Member States' public financial institutions, but also with other international financial institutions and the private financial sector.</p>	<p>(35) The EU Budget Review emphasised that the norm for projects with long-term commercial potential should be the use of Union funds in partnership with the financial and banking sectors, particularly the European Investment Bank ('EIB') and Member States' public financial institutions, but also with other international financial institutions and the private financial sector, <i>including at national and regional level. The partnering arrangements need to emphasise local knowledge and the relationship between projects and financial intermediaries.</i></p>		

²³ Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee, the Committee of the Regions and the National Parliaments "The EU Budget Review", 19.10.2010, COM(2010) 700 final.

COMMISSION PROPOSAL ST 16176/4/11 REV 4	EP AMENDMENTS (FIRST READING)	COUNCIL'S PROGRESS REPORT ST 17107/12	COMMENTS ¹
	<p><i>(35a) Financial instruments should be used to address specific market needs, for actions which have a clear European added value and which are in line with the objectives of the CEF, and should not crowd out private financing. They should improve the leverage effect of the Union's budget spending and achieve a higher multiplier effect in terms of attracting private-sector financing. This is particularly relevant in the context of difficulties in accessing credit and constraints on public finances, and in view of the need to underpin Europe's economic recovery. Before deciding to use financial instruments, the Commission should carry out an ex-ante assessment of the instrument concerned, in order to verify that a sub-optimal investment situation exists and that the instrument will not create distortions in the market. Furthermore, projects financed using an innovative financial instrument should be of European added value and should be in line with the objectives of the Europe 2020 Strategy.</i></p>		

COMMISSION PROPOSAL ST 16176/4/11 REV 4	EP AMENDMENTS (FIRST READING)	COUNCIL'S PROGRESS REPORT ST 17107/12	COMMENTS ¹
<p>(36) In the Europe 2020 Strategy, the Commission pledged to mobilise Union financial instruments as part of a consistent funding strategy, that pulls together Union and national public and private funding for infrastructures. This is based on the rationale that in many cases sub-optimal investment situations and market imperfections may be more efficiently tackled by financial instruments than by grants.</p>			
<p>(37) The Connecting Europe Facility should propose financial instruments to promote substantial participation by the private sector investors and financial institutions in infrastructure investment. To be sufficiently attractive to the private sector, financial instruments should be designed and implemented with due regard to simplification and reduction of administrative burden, while with a level of flexibility in mind to be able to respond to identified financing needs in a flexible manner. The design of these instruments should draw from</p>	<p>(37) The <i>CEF</i> should propose financial instruments to promote substantial participation by private sector-investors and financial institutions in infrastructure investment. To be sufficiently attractive to the private sector, financial instruments should be designed and implemented with due regard to simplification and reduction of administrative <i>burdens, but at the same time</i> with a <i>sufficient</i> level of flexibility to be able to respond to identified financing needs in a flexible manner. <i>The responsible</i></p>		

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<p>the experience gained in the implementation of financial instruments in the 2007-2013 Multi-Annual Financial Framework, such as the Loan Guarantee instrument for TEN-T projects (LGTT), the Risk Sharing Finance Facility (RSFF) and the 2020 European Fund for Energy, Climate Change, and Infrastructure (the "Marguerite Fund").</p>	<p><i>management authorities should create the necessary incentives for attracting private investors.</i> The design of these instruments should draw upon the experience gained in the implementation of financial instruments in the 2007-2013 Multi-Annual Financial Framework, such as the Loan Guarantee instrument for TEN-T projects (LGTT), the Risk Sharing Finance Facility (RSFF), the 2020 European Fund for Energy, Climate Change and Infrastructure (the "Marguerite Fund") <i>and the Europe 2020 Project Bond Initiative.</i></p>		
	<p><i>(37a) Those innovative financial instruments, such as project bonds, can give a boost to the financing of transport infrastructure with European added value. Their use should therefore be strongly encouraged, in order to use the Union's budget in the most efficient way.</i></p>		

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<p>(38) While most financial instruments should be common for all sectors, some may be specific for individual sectors. Commission services estimate that while the financial support for broadband would primarily rely on financial instruments, for transport and energy the volume of Union budgetary resources required for financial instruments should not exceed EUR 2 billion and EUR 1 billion respectively.</p>	<p>(38) <i>When selecting the most effective form of financial aid, due consideration should be given to the sector- and project-specific characteristics of eligible projects.</i></p>		<p><u>Compromise text under development.</u></p>
<p>(39) In order to ensure sectorial diversification of beneficiaries of financial instruments as well as encourage gradual geographical diversification across the Member States, the Commission in partnership with the EIB, through joint initiatives such as the European PPP Expertise Centre (EPEC) and Jaspers, should provide support to the Member States in developing an appropriate pipeline of projects that could be considered for project financing.</p>	<p>(39) In order to ensure sectorial diversification of beneficiaries of financial instruments as well as to encourage gradual geographical diversification across the Member States, <i>and with particular attention to those Member States which are eligible for support from the Cohesion Fund</i>, the Commission in partnership with the EIB, through joint initiatives such as the European PPP Expertise Centre (EPEC) and Jaspers, should provide support to the Member States in developing an appropriate pipeline of projects that could be considered for project financing.</p>		

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	<p><i>(39a) The financial instruments to be implemented under this Regulation should reflect the rules laid down in Title VIII of Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council of 25 October 2012 on the financial rules applicable to the general budget of the Union¹ and the Delegated Act and in line with best practice rules applicable to financial instruments².</i></p> <p>¹ OJ L 298, 26.10.2012, p. 1.</p> <p>² COM(2011)xxx, A framework for the next generation of financial instruments</p>		
<p>(40) With respect to the conditions for the financial instruments, it might be necessary to add additional requirements in the Work Programmes, for example to ensure competitive markets in view of the development of the Union's policies, technological developments and other factors that may become relevant.</p>			

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AM 28 Recital 41			
<p>(41) Multi-annual programming for support from the Facility should be directed towards supporting the Union's priorities by ensuring the availability of the necessary financial resources and the consistency and continuity of joint action by the Union and the Member States. For proposals submitted following the implementation of the first multiannual work programme in the sector of transport, eligibility of cost should start on 1 January 2014 to ensure the continuity of projects already covered by Regulation (EC) No 680/2007 of the European Parliament and of the Council of 20 June 2007 laying down general rules for the granting of Community financial aid in the field of the trans-European transport and energy networks²⁴.</p>	<p>(41) Multi-annual programming for support from the <i>CEF</i> should be directed towards supporting the Union's priorities by ensuring the availability of the necessary financial resources and the consistency, <i>fairness, transparency</i> and continuity of joint action by the Union and the Member States. For proposals submitted following the implementation of the first multiannual work programme in the sector of transport, eligibility of cost should start on 1 January 2014 to ensure the continuity of projects already covered by Regulation (EC) No 680/2007 of the European Parliament and of the Council of 20 June 2007 laying down general rules for the granting of Community financial aid in the field of the trans-European transport and energy networks.</p>		

²⁴ OJ L 162, 22.6.2007, p. 1.

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(42) Due to the high budget needed for the implementation of some infrastructure projects, there should be a possibility to divide budgetary commitments relative to the financial assistance for some actions into annual instalments.			
AM 29 Recital 42a (new)			
	<p><i>(42a) Given the limited resources available at Union level, concentration on projects with the highest European added value is necessary in order to achieve the desired impact. In the transport sector, Union support should be earmarked for the core network (and in particular the core network corridors) and projects of common interest in the field of traffic management systems. In the energy sector, financial aid should focus on completing the internal energy market, ensuring security of supply, ensuring the transmission of renewable electricity from generation to centres of demand and storage, and attracting private investment. In the telecom sector, financial aid should primarily be targeted at projects that will generate demand</i></p>		

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	<i>for broadband, including the building of a European digital service infrastructure, which should in turn stimulate investment in broadband network deployment.</i>		
AM 30 Recital 42b (new)			
	<i>(42b) In the energy sector, a significant part of the budget envisaged should be allocated in the form of financial instruments. Projects of common interest in the telecom sector should be eligible for Union financial support in the form of grants for generic services and horizontal priorities including programme support actions, and in the form of grants and procurement for core service platforms. Actions in the field of broadband deployment, including actions generating demand for broadband, should be eligible for Union financial support in the form of financial instruments.</i>		

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AM 31 Recital 43			
<p>(43) Mid-term and ex-post evaluations should be carried out by the Commission in order to assess the effectiveness and efficiency of the funding and its impact on the overall goals of the Facility and the Europe 2020 Strategy's priorities.</p>	<p>(43) Mid-term and ex-post evaluations should be carried out by the Commission <i>and communicated to the European Parliament, the Council, the European Economic and Social Committee and the Committee of Regions</i> in order to assess the effectiveness and efficiency of the funding and its impact on the overall goals of the <i>CEF</i> and the <i>priorities of the Europe 2020 Strategy. The Commission should make public, and update at least annually, information about the specific projects under the CEF.</i></p>		

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AM 32 Recital 44			
<p>(44) On the basis of the sector specific guidelines laid down in separate Regulations, a list of priority areas for which this Regulation should apply has been drawn up and should be included in the Annex. In order to take into account possible changes in political priorities and technological capabilities, as well as traffic flows, the power to adopt acts in accordance with Article 290 of the Treaty on the Functioning of the European Union should be delegated to the Commission in respect of adopting amendments to the Annex. It is of particular importance that the Commission carry out appropriate consultations during its preparatory work, including at expert level. The Commission, when preparing and drawing-up delegated acts, should ensure a simultaneous, timely and appropriate transmission of relevant documents to the European Parliament and to the Council.</p>	<p>(44) On the basis of the sector-specific guidelines laid down in separate Regulations, a list of priority areas for which this Regulation should apply has been drawn up and should be included in the Annex. In order to take into account possible changes in political priorities and technological capabilities, as well as traffic flows, the power to adopt acts in accordance with Article 290 of the Treaty on the Functioning of the European Union should be delegated to the Commission in respect of adopting amendments to the Annex. The Commission should carry out appropriate consultations during its preparatory work, including at expert level. The Commission, when preparing and drawing-up delegated acts, should ensure a simultaneous, timely and appropriate transmission of relevant documents to the European Parliament and to the Council.</p>		

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<p>(45) In order to ensure uniform conditions for the implementation of this Regulation, implementing powers should be conferred on the Commission as regards multi-annual and annual work programmes. Those powers should be exercised in accordance with Regulation (EU) No 182/2011 of the European Parliament and of the Council of 16 February 2011 laying down the rules and general principles concerning mechanisms for control by the Member States of the Commission's exercise of implementing powers²⁵.</p>			
<p>(46) Council Regulation (EC) 2236/95 of 18 September 1995²⁶ laying down general rules for the granting of Community financial aid in the field of trans-European networks and Regulation (EC) No 680/2007 of the European Parliament and of the Council should accordingly be repealed.</p>			

²⁵ OJ L 55, 28.2.2011, p. 13.

²⁶ OJ L 228, 23.9.1995, p. 1.

COMMISSION PROPOSAL ST 16176/4/11 REV 4	EP AMENDMENTS (FIRST READING)	COUNCIL'S PROGRESS REPORT ST 17107/12	COMMENTS ¹
AM 33 Recital 47			
<p>(47) The financial interests of the European Union should be protected through proportionate measures throughout the expenditure cycle, including the prevention, detection and investigation of irregularities, the recovery of funds lost, wrongly paid or incorrectly used and, where appropriate, penalties.</p>	<p>(47) The financial interests of the Union should be protected through proportionate measures throughout the expenditure cycle, including the prevention, detection and investigation of irregularities, the recovery of funds lost, wrongly paid or incorrectly used and, where appropriate, <i>the imposition of penalties. Parliament should be kept informed of all such measures, at all stages and with full transparency.</i></p>		

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AM 34 Recital 47a (new)			
	<p><i>(47a) The form of the contract to be concluded between the parties should be consistent with the basis for and the circumstances of the project, and should guarantee broad and fair competition for projects co-funded under the CEF which are the subject of public procurement procedures.</i></p> <p><i>In order to secure the most economically advantageous price and ensure that the project is carried out as efficiently as possible, the basic terms of the contract should be fair and reflect the risks associated with the project, irrespective of national or international standards.</i></p>		

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AM 35 Recital 47b (new)			
	<p><i>(47b) In order to guarantee broad and fair competition for projects funded under the CEF, the form of the contract should be consistent with the aims and circumstances of the project. The terms of the contract should be drafted in such a way as to ensure a fair spread of the risks associated with the work to be carried out, in order to maximise cost-effectiveness and ensure that the work is performed as efficiently as possible. This principle should apply irrespective of whether a national or international contract model is used.</i></p>		

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AM 36 Recital 47c (new)			
	<p><i>(47c) In order to ensure broad and fair competition for projects benefitting from CEF funds, tenders must be based on fair and transparent contract conditions and the form of contract used must be appropriate to the project's objectives and circumstances.</i></p>		
AM 37 Recital 48			
<p>(48) Some of the infrastructure projects of Union interest might need to link with and pass through neighbourhood, pre-accession and other third countries. The Connecting Europe Facility should offer simplified means of linking and financing these infrastructures, in order to ensure coherence between internal and external instruments of the Union budget.</p>	<p>(48) Some of the infrastructure projects of Union interest might need to link with and pass through neighbourhood, pre-accession and other third countries <i>in areas such as in the Southern and Eastern Mediterranean, which has substantial solar energy that could be imported into the Union via long-distance electricity connections</i>. The <i>CEF must</i> offer simplified means of linking and financing these infrastructures, in order to ensure coherence between internal and external instruments of the Union budget. <i>There needs to be proper coordination between</i></p>		<p><u>EP amendment (first sentence relating specifically to energy) not acceptable.</u></p>

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	<i>the Commission directorates-general involved, so as to ensure that no barriers are placed in the way of these projects, in particular Motorways of the Sea projects.</i>		
AM 38 Recital 48a (new)			
	<i>(48a) The participation of undertakings established in third countries is a prerequisite for achieving the objectives of the CEF, in view of the experience and technical know-how which they can bring to the projects. Particular attention must, however, be drawn to the need for such undertakings to comply with labour, social and environmental law. This is a growing demand from European society. The Commission should therefore be given the means to carry out this task, with a view to promoting fair competition between Union undertakings and third countries.</i>		

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AM 39 Recital 48b (new)			
	<p><i>(48b) Participation in Union-financed projects by undertakings established in third countries must be matched by a requirement for reciprocity in trade relations. Therefore Union undertakings must have access to similar opportunities in the third countries concerned.</i></p>		
<p>(49) Since the objectives of the action to be taken, and in particular the coordinated, development and financing of the trans-European networks, cannot be sufficiently achieved by the Member States and can therefore, by reason of the need for coordination of these objectives, be better achieved at Union level, the Union may adopt measures in accordance with the principle of subsidiarity as set out in Article 5 of the Treaty on European Union. In accordance with the principle of proportionality, as also set out in that Article, this Regulation does not go beyond what is necessary in order to achieve those objectives,</p>			

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TITLE I		TITLE I	TITLE I
COMMON PROVISIONS		COMMON PROVISIONS	COMMON PROVISIONS
CHAPTER I		CHAPTER I	CHAPTER I
THE CONNECTING EUROPE FACILITY		THE CONNECTING EUROPE FACILITY	THE CONNECTING EUROPE FACILITY
AM 40			
Article 1			
Article 1 Subject matter	Article 1 Subject-matter <i>and scope</i>	Article 1 Subject matter	
This Regulation establishes the Connecting Europe Facility and determines the conditions, methods and procedures for providing Union financial aid to trans-European networks in order to support projects in the field of transport, energy and telecommunications infrastructures.	This Regulation establishes the Connecting Europe Facility and determines the conditions, methods and procedures for providing Union financial aid to trans-European networks, <i>and the resources to be made available under the Multiannual Financial Framework 2014-2020 and their governing instruments</i> , in order to support projects <i>of common interest</i> in the field of transport, energy and telecommunications infrastructures <i>and to exploit synergies between those sectors</i> .	This Regulation establishes the Connecting Europe Facility (the "CEF") which determines the conditions, methods and procedures for providing Union financial aid to trans-European networks in order to support projects in the sector of transport, energy and telecommunications infrastructures.	<u>Agreed text:</u> This Regulation establishes the Connecting Europe Facility (the "CEF") which determines the conditions, methods and procedures for providing Union financial assistance aid to trans-European networks in order to support projects of common interest in the sector of transport, energy and telecommunications infrastructures and to exploit potential synergies between those sectors. It also establishes the break-down of the resources to be made available under the Multiannual Financial Framework 2014-2020.

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Article 2 Definitions		Article 2 Definitions	Article 2 Definitions
For the purposes of this Regulation, the following definitions shall apply:		For the purposes of this Regulation, the following definitions shall apply:	<u>Agreed text:</u> For the purposes of this Regulation, the following definitions shall apply:
(1) <i>"project of common interest"</i> means a project identified in Regulation (EU) No XXXX/2012 of the European Parliament and of the Council of [to be completed when adopted including date of adoption and full names] [TEN-T Guidelines] ²⁷ , Regulation (EU) No XXXX/2012 of the European Parliament and of the Council of [to be completed when adopted including date of adoption and full names] [Guidelines for trans-European energy infrastructure] ²⁸ or Regulation (EU) No XXXX/2012 [INFSO Guidelines] of the European Parliament and of the Council of [to be completed when adopted including date of adoption and full names] ²⁹ ;		(1) <i>"project of common interest"</i> means a project identified in Regulation (EU) No XXXX/2012 of the European Parliament and of the Council of [to be completed when adopted including date of adoption and full title] [TEN-T Guidelines] ³⁰ , Regulation (EU) No XXXX/2012 of the European Parliament and of the Council of [to be completed when adopted including date of adoption and full title] [Guidelines for trans-European energy infrastructure] ³¹ or Regulation (EU) No XXXX/2012 [INFSO Guidelines] of the European Parliament and of the Council of [to be completed when adopted including date of adoption and full	<u>Agreed text:</u> (1) <i>"project of common interest"</i> means a project identified in Regulation (EU) No XXXX/2012 of the European Parliament and of the Council of [to be completed when adopted including date of adoption and full title] [TEN-T Guidelines] ³³ , Regulation (EU) No XXXX/2012 of the European Parliament and of the Council of [to be completed when adopted including date of adoption and full title] [Guidelines for trans-European energy infrastructure] ³⁴ or Regulation (EU) No XXXX/2012 [INFSO Guidelines] of the European Parliament and of the Council of [to be completed when adopted

²⁷ OJ L ... , p.

²⁸ OJ L ... , p.

²⁹ OJ L ... , p.

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		title] ³² ;	including date of adoption and full title] ³⁵ ;
AM 41 Article 2 point 2			
(2) " <i>cross-border section</i> " means the section, which ensures the continuity of a project of common interest between at least two Member States or between a Member State and a neighbouring country;	(2) 'cross-border section' means the section which ensures the continuity of a project of common interest between <i>the nearest urban nodes, as defined in point (o) of Article 3 of Regulation (EU) No XXXX/2012 [TEN-T Guidelines], on both sides of the border of</i> two Member States or between a Member State and a neighbouring country;	(2) " <i>cross-border section</i> " means the section, which ensures the continuity of a project of common interest in the transport sector between at least two Member States or between a Member State and a neighbouring country;	<u>Agreed text:</u> 'cross-border section' means, <u>in the field of transport</u> , the section which ensures the continuity of a project of common interest in the transport sector between <u>at least the nearest urban nodes on both sides of the border of</u> two Member States or between a Member State and a neighbouring country;

³⁰ OJ L ... , p.
³¹ OJ L ... , p.
³³ OJ L ... , p.
³⁴ OJ L ... , p.
³² OJ L ... , p.
³⁵ OJ L ... , p.

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AM 42 Article 2 point 2a (new)			
	<i>(2a) "neighbouring country" means a country falling within the ambit of the European Neighbourhood Policy, including the Strategic Partnership, the Enlargement Policy, the European Economic Area or the European Free Trade Association;</i>		Agreed text: <u>'neighbouring country' means a country falling within the ambit of the European Neighbourhood Policy including the Strategic Partnership³⁶, the Enlargement Policy, the European Economic Area or the European Free Trade Association;</u>
AM 43 Article 2 point 2b (new)			
	<i>(2b) "third country" means any neighbouring country and all other countries with which the Union may cooperate to achieve the objectives pursued by this Regulation;</i>		Agreed text: <u>'third country' means any neighbouring country and any other country with which the Union may cooperate to achieve the objectives pursued by this Regulation;</u>

³⁶ COM(2004) 106 final.

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(3) " <i>works</i> " means, as the case may be, the purchase, supply and deployment of components, systems and services including software, the carrying out of development and construction and installation activities relating to a project, the acceptance of installations and the launching of a project;		(3) " <i>works</i> " means the purchase, supply and deployment of components, systems and services including software, the carrying out of development and construction and installation activities relating to a project, the acceptance of installations and the launching of a project;	<u>Agreed text:</u> (3) " <i>works</i> " means the purchase, supply and deployment of components, systems and services including software, the carrying out of development and construction and installation activities relating to a project, the acceptance of installations and the launching of a project;
AM 44 Article 2 point 4			
(4) " <i>studies</i> " means activities needed to prepare project implementation, such as preparatory, feasibility, evaluation, testing and validation studies, including in the form of software, and any other technical support measure, including prior action to define and develop a project and decide on its financing, such as reconnaissance of the sites concerned and preparation of the financial package;	(4) "studies" means activities needed to prepare project implementation, such as preparatory, mapping , feasibility, evaluation, testing and validation studies, including in the form of software, and any other technical support measure, including prior action to define and develop a project and decide on its financing, such as reconnaissance of the sites concerned and preparation of the financial package;	(4) " <i>studies</i> " means activities needed to prepare project implementation, such as preparatory, feasibility, evaluation, testing and validation studies, including those in the form of software, and any other technical support measure, including prior action to define and develop a project and decide on its financing, such as reconnaissance of the sites concerned and preparation of the financial package;	<u>Agreed text:</u> (4) "studies" means activities needed to prepare project implementation, such as preparatory, mapping , feasibility, evaluation, testing and validation studies, including in the form of software, and any other technical support measure, including prior action to define and develop a project and decide on its financing, such as reconnaissance of the sites concerned and preparation of the financial package;

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AM 45 Article 2 point 5			
<p>(5) <i>"programme support actions"</i> means accompanying measures necessary for the implementation of the Connecting Europe Facility and individual sector specific guidelines, such as services (notably technical assistance), as well as preparatory, feasibility, coordination, monitoring, control, audit and evaluation activities which are required directly for the management of this facility and the achievement of its objectives, and in particular studies, meetings, information, infrastructure mapping, twinning, dissemination, awareness raising and communication actions, expenses linked to IT networks focusing on information exchange, together with all other technical and administrative assistance expenses that may be required for the management of this facility or implementation of the individual sector specific guidelines;</p>	<p>(5) 'programme support actions' means all accompanying measures necessary for the implementation of the Connecting Europe Facility and individual sector-specific guidelines, such as services (notably technical and financial engineering assistance), as well as preparatory, feasibility, coordination, monitoring, consultation of interested parties, control, audit and evaluation activities, which are required in order to facilitate the preparation of projects of common interest notably in Cohesion countries with a view to obtaining financing under this Regulation or on the financial market, or directly for the management of the facility hereby established and the achievement of its objectives. This shall include in particular studies, meetings, information, infrastructure mapping, dissemination, awareness-raising, communication and concerted actions, expenses linked to IT networks focusing on</p>	<p>(5) <i>"programme support actions"</i> means accompanying measures necessary for the implementation of the CEF and individual sector specific guidelines, such as services (notably technical assistance), as well as preparatory, feasibility, coordination, monitoring, control, audit and evaluation activities which are required directly for the management of this facility and the achievement of its objectives, and in particular studies, meetings, information, infrastructure mapping, twinning, dissemination, awareness raising and communication actions, expenses linked to IT tools and networks focusing on information exchange, together with all other technical and administrative assistance expenses incurred by the Commission that may be required for the management of this facility or implementation of the individual sector specific guidelines;</p>	<p>Presidency compromise proposal: (5) 'programme support actions' means, at the level of the programme hereby established, all accompanying measures necessary at the level of the facility hereby established for its the implementation of the CEF and the implementation of the individual sector-specific guidelines, such as services (notably technical assistance, including for the use of financial instruments), as well as preparatory, feasibility, coordination, monitoring, stakeholder consultation, control, audit and evaluation activities which are required directly for the management of this the facility and the achievement of its objectives. These shall include, and in particular studies, meetings, information, infrastructure mapping, information, dissemination, communication and twinning, dissemination, awareness raising and</p>

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	<p>information exchange <i>about the facility</i>, together with all other technical and administrative assistance expenses <i>incurred by the Commission</i> that may be required for the management of <i>the</i> facility or implementation of the individual sector-specific guidelines;</p>		<p>communication actions, expenses linked to IT tools and networks focusing on information exchange <u>about the facility</u>, together with all other technical and administrative assistance expenses incurred by the Commission that may be required for the management of this <u>the</u> facility or implementation of the individual sector-specific guidelines. <u>Programme support actions shall also include activities required in order to facilitate the preparation of projects of common interest notably in countries eligible to the Cohesion Fund, with a view to obtaining financing under this Regulation or on the financial market. Programmes support actions shall also include, if appropriate, the costs of the Executive Agency entrusted by the Commission for the implementation of specific parts of the Connecting Europe Facility.</u></p> <p>[Note: compromise wording linked to discussions on AM 69.]</p>

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AM 46 Article 2 point 6			
(6) <i>"action"</i> means any activity that is necessary to implement a project of common interest and is independent financially, technically or over time;	(6) "action": means any activity that is necessary to implement a project of common interest, is <i>identifiable</i> financially <i>and</i> technically <i>and has a set time-frame</i> ;	(6) <i>"action"</i> means any activity that is necessary to implement a project of common interest and is independent financially, technically or over time;	<u>Presidency compromise proposal:</u> (6) "action": means any activity that is necessary to implement a project of common interest, <u>which has been identified as</u> and is independent financially <u>and technically independent and has a set time-frame that is necessary to implement a project of common interest</u> or over time;
(7) <i>"eligible costs"</i> have the same meaning as in Commission Regulation (EU) No XXXX/2012 [New Financial Regulation];		(7) <i>"eligible costs"</i> have the same meaning as in Regulation (EU) No XXXX/2012 [New Financial Regulation];	<u>Agreed text:</u> (7) <i>"eligible costs"</i> have the same meaning as in Regulation (EU) No XXXX/2012 [New Financial Regulation];

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<p>(8) <i>"beneficiary"</i> means a Member State, an international organisation, a public or private undertaking or body that has been selected to receive financial aid under this Regulation and according to the modalities specified in each Work Programme.</p>		<p>(8) <i>"beneficiary"</i> means a Member State, an international organisation, a public or private undertaking or body that has been selected to receive Union financial aid under this Regulation and in accordance with the arrangements established in the relevant work programme referred to in Article 17.</p>	<p><u>Agreed text:</u> (8) <i>"beneficiary"</i> means a Member State, an international organisation, a public or private undertaking or body that has been selected to receive Union financial aid under this Regulation and in accordance with the arrangements established in the relevant work programme referred to in Article 17.</p>
<p>AM 47 Article 2 point 9</p>			
<p>(9) <i>"implementing body"</i> means a public or private undertaking or body designated by a beneficiary, where the latter is a Member State or an international organisation, to implement the action. Such designation shall be decided by the beneficiary under its own responsibility and, if it requires the award of a procurement contract, in compliance with the applicable public procurement rules;</p>	<p>(9) "implementing body": means a public or private undertaking or body designated by a beneficiary, where the latter is a Member State or an international organisation, to implement the action. Such designation shall be decided by the beneficiary under its own responsibility and, if it requires the award of a procurement contract, in compliance with the applicable Union public procurement rules;</p>	<p>(9) <i>"implementing body"</i> means a public or private undertaking or body designated by a beneficiary, where the latter is a Member State or an international organisation, to implement the action. Such designation shall be decided upon by the beneficiary under its own responsibility and, if it requires the award of a procurement contract, in compliance with the applicable public procurement rules;</p>	<p><u>Agreed text:</u> (9) <i>"implementing body"</i> means a public or private undertaking or body designated by a beneficiary, where the latter is a Member State or an international organisation, to implement the action. Such designation shall be decided upon by the beneficiary under its own responsibility and, if it requires the award of a procurement contract, in compliance with the applicable Union and national public procurement rules;</p>

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AM 48 Article 2 point 9a (new)			
	<i>(9a) "comprehensive network" means the transport infrastructure identified in accordance with Chapter II of Regulation (EU) No XXXX/2012 [TEN-T Guidelines];</i>		<u>Agreed text:</u> <u>(9a) "comprehensive network" means the transport infrastructure identified in accordance with Chapter II of Regulation (EU) No XXXX/2012 [TEN-T Guidelines];</u>
(10) <i>"core network"</i> means the transport infrastructure identified according to Chapter III of Regulation (EU) No XXXX/2012 [TEN-T Guidelines];		(10) <i>"core network"</i> means the transport infrastructure identified according to Chapter III of Regulation (EU) No XXXX/2012 [TEN-T Guidelines];	<u>Agreed text:</u> (10) <i>"core network"</i> means the transport infrastructure identified according to Chapter III of Regulation (EU) No XXXX/2012 [TEN-T Guidelines];
(11) <i>"core network corridors"</i> means an instrument to facilitate the coordinated implementation of the core network as provided for in Chapter IV of Regulation (EU) No XXXX/2012 [TEN-T Guidelines] and listed in Annex I to this Regulation;		(11) <i>"core network corridors"</i> means an instrument to facilitate the coordinated implementation of the core network as provided for in Chapter IV of Regulation (EU) No XXXX/2012 [TEN-T Guidelines] [and listed in Part I of the Annex to this Regulation];	<u>Agreed text:</u> (11) <i>"core network corridors"</i> means an instrument to facilitate the coordinated implementation of the core network as provided for in Chapter IV of Regulation (EU) No XXXX/2012 [TEN-T Guidelines] [and listed in Part I of the Annex to this Regulation];

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AM 49 Article 2 point 12			
<p>(12) <i>"bottleneck"</i> means a physical barrier that leads to a system break affecting the continuity of long-distance flows. Such a barrier can be absorbed by new infrastructure such as bridges or tunnels that address problems as for example gradients, curve radii, gauge. The need to upgrade existing infrastructure shall not be considered as a bottleneck;</p>	<p>(12) 'bottleneck' means a physical <i>and/or functional</i> barrier <i>in the field of transport</i> that leads to a system break affecting the continuity of long-distance flows <i>and which</i> can be <i>surmounted by creating</i> new infrastructure, <i>or substantially upgrading existing infrastructure, that could bring significant improvements which will solve the bottleneck constraints;</i></p>	<p>(12) <i>"bottleneck"</i> in the transport sector means a physical or technical barrier that leads to a system break affecting the continuity and disruption of transport capacity of long-distance and cross-border flows. Such a barrier can be absorbed by creating new or substantially modernising existing infrastructure in order to increase its capacity such as bridges, locks, groynes, bottom sills or tunnels that address problems as for example gradients, curve radii, gauge, fairway depth or by upgrading intermediate lower classified sections of infrastructure to the level of the rest of the network;</p>	<p><u>Agreed text:</u> (12) <i>"bottleneck"</i> in the transport sector means a physical, technical <u>or functional</u> barrier that leads to a system break affecting the continuity and disruption of transport capacity of long-distance and cross-border flows <u>and leading to its disruption,</u> Such a barrier can be absorbed <u>and which can be surmounted</u> by creating new <u>infrastructure,</u> or substantially modernising <u>upgrading</u> existing infrastructure, <u>that could bring significant improvements which will solve the bottleneck constraints;</u> in order to increase its capacity such as bridges, locks, groynes, bottom sills or tunnels that address problems as for example gradients, curve radii, gauge, fairway depth or by upgrading intermediate lower classified sections of infrastructure to the level of the rest of the network.</p>

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(13) " <i>priority</i> " means any of the energy infrastructure priorities 1 to 8 and 10 to 12 as designated in Annex I to Regulation (EU) No XXXX/2012 [Guidelines for trans-European energy infrastructure];		(13) " <i>priority</i> " means any of the energy infrastructure priorities 1 to 8 and 10 to 12 as designated in Annex I to Regulation (EU) No XXXX/2012 [Guidelines for trans-European energy infrastructure];	<u>Agreed text:</u> (13) " <i>priority</i> " means any of the energy infrastructure priorities 1 to 8 and 10 to 12 as designated in Annex I to Regulation (EU) No XXXX/2012 [Guidelines for trans-European energy infrastructure];
		(13b) " <i>telematic applications</i> " means the applications as defined in Article 3 of Regulation (EU) No XXXX/2012 [TEN-T Guidelines];	<u>Agreed text:</u> (13b) " <i>telematic applications</i> " means the applications as defined in Article 3 of Regulation (EU) No XXXX/2012 [TEN-T Guidelines];
(14) " <i>energy infrastructure</i> " means the infrastructure as defined in Article 2 of Regulation (EU) No (EU) No XXX/2012 [Guidelines for trans-European energy infrastructure];		(14) " <i>energy infrastructure</i> " means the infrastructure as defined in Article 2 of Regulation (EU) No XXXX/2012 [Guidelines for trans-European energy infrastructure];	<u>Agreed text:</u> (14) " <i>energy infrastructure</i> " means the infrastructure as defined in Article 2 of Regulation (EU) No XXXX/2012 [Guidelines for trans-European energy infrastructure];
		(14a) " <i>telecommunications networks</i> " means the networks as defined in Article 3 of Regulation (EU) No XXXX/2012 [INFSO Guidelines];	INFSO Guidelines on hold - to be discussed later

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(15) <i>"broadband networks"</i> means wired and wireless (including satellite) access networks, ancillary infrastructure and core networks capable of delivering very high speed connectivity as defined in Article 3 of Regulation (EU) No XXX/2012 [INFSO Guidelines].		(15) <i>"broadband networks"</i> means the networks as defined in Article 3 of Regulation (EU) No XXXX/2012 [INFSO Guidelines];	INFSO Guidelines on hold - to be discussed later
(16) <i>"digital service infrastructures"</i> means networked services delivered electronically, typically over the internet, providing trans-European interoperable services in the public interest and having an enabling character for citizens, businesses, and/or governments as defined in Article 3 of Regulation (EU) No XXX/2012 [INFSO Guidelines];		(16) <i>"digital service infrastructures"</i> means networked services as defined in Article 3 of Regulation (EU) No XXXX/2012 [INFSO Guidelines];	INFSO Guidelines on hold - to be discussed later
(17) <i>"core service platforms"</i> means services identified in the Annex to Regulation (EU) No XXXX/2012 [INFSO Guidelines];		(17) <i>"core service platforms"</i> means services identified in the Annex to Regulation (EU) No XXXX/2012 [INFSO Guidelines];	INFSO Guidelines on hold - to be discussed later
(18) <i>"generic services"</i> means services identified in the Annex to Regulation (EU) No XXXX/2012 [INFSO Guidelines];		(18) <i>"generic services"</i> means services identified in the Annex to Regulation (EU) No XXXX/2012 [INFSO Guidelines].	INFSO Guidelines on hold - to be discussed later

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(19) " <i>operation and maintenance of services</i> " means ensuring continuous operation of certain digital service infrastructures, as further defined in the Annex to Regulation (EU) No XXXX/2012 [INFSO guidelines];		(19) [...]	INFSO Guidelines on hold - to be discussed later
(20) " <i>national regulatory authorities</i> " means bodies defined in Article 3 of the Directive 2002/21/EC of the European Parliament and of the Council of 7 March 2002 on a common regulatory framework for electronic communications networks and services (Framework Directive) ³⁷ .		(20) [...]	INFSO Guidelines on hold - to be discussed later

³⁷ OJ L 108, 24.4.2002, p. 33.

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AM 50 Article 2 point 20a (new)			
	<p><i>(20a) “synergies between sectors” means the existence across at least two of the three sectors covered by this Regulation (transport, energy and telecommunications) of similar or complementary actions that enable costs and/or results to be optimised through the pooling of financial, technical and/or human resources;</i></p>		<p>Presidency compromise proposal: <u>(20a) “synergies between sectors” means the existence across at least two of the three sectors covered by this Regulation (transport, energy and telecommunications) of similar or complementary actions that may enable costs or results to be optimised through the pooling of financial, technical or human resources;</u></p>

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AM 51 Article 2 point 20b (new)			
	<i>(20b) 'isolated network' means the rail network of a Member State, or a part thereof, as defined by point (qq) of Article 3 of Regulation (EU) No XXXX/2012 [TEN-T guidelines].</i>		Agreed text: <u>(20b) 'isolated network' means the rail network of a Member State, or a part thereof, as defined by point (qq) of Article 3 of Regulation (EU) No XXXX/2012 [TEN-T guidelines].</u>
Article 3 General objectives		Article 3 General objectives	Article 3 General objectives
AM 52 Article 3 - introductory wording			
The Connecting Europe Facility shall enable the preparation and implementation of projects of common interest within the framework of the trans-European networks policy in the sectors of energy, transport and telecommunications. In particular the Connecting Europe Facility shall support the implementation of projects aiming at the development and construction of new or upgrading of existing infrastructure in the field of transport, energy and	The Connecting Europe Facility shall enable the preparation and implementation of projects of common interest within the framework of the trans-European networks policy in the sectors of energy, transport and telecommunications. In particular the Connecting Europe Facility shall support the implementation of projects aiming at the development and construction of new infrastructure , or the upgrading of existing infrastructure, in the field	The CEF shall enable the preparation and implementation of projects of common interest within the framework of the trans-European networks policy in the sectors of energy, transport and telecommunications. The CEF shall support the implementation of those projects of common interest aiming at the development and construction of new infrastructures and services or at the upgrading ³⁸ of existing infrastructures and services. The following objectives apply to the	Presidency compromise proposal: The CEF Connecting Europe Facility shall enable the preparation and implementation of projects of common interest within the framework of the trans-European networks policy in the sectors of energy, transport and telecommunications. In particular , the CEF Connecting Europe Facility shall support the implementation of those projects of common interest aiming at the development and construction of

³⁸ The following text will be added at the end of recital (10): "... through the creation of new infrastructure as well as the rehabilitation and upgrading of existing infrastructure".

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telecommunications. To this end, the Connecting Europe Facility shall pursue the following objectives:	of transport, energy and telecommunications <i>and giving priority to missing infrastructure.</i> To this end, the Connecting Europe Facility shall pursue the following objectives:	three sectors identified in the CEF:	new infrastructures and services or at the upgrading ³⁹ of existing infrastructures and services, <u>in the field of transport, energy and telecommunications. It shall give priority to missing links, including in the field of transport. The Connecting Europe Facility shall also contribute to supporting projects with a European added value and significant societal benefits which do not receive adequate financing from the market.</u> The following objectives apply to the three sectors identified in the CEF:

³⁹ The following text will be added at the end of recital (10): "... through the creation of new infrastructure as well as the rehabilitation and upgrading of existing infrastructure".

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AM 53 Article 3 point a			
<p>(a) contribute to smart, sustainable and inclusive growth by developing modern and high performing trans-European networks, thus bringing forward benefits for the entire European Union in terms of competitiveness and economic, social and territorial cohesion within the Single Market and creating an environment more conducive to private and public investment through a combination of financial instruments and Union direct support and by exploiting synergies across the sectors. The achievement of this objective will be measured by the volume of public and private investment in projects of common interest, and in particular the volume of public and private investments in projects of common interest realised through the financial instruments under this Regulation.</p>	<p>(a) contribute to smart, sustainable and inclusive growth, <i>in line with the Europe 2020 Strategy</i>, by developing modern and high-performing trans-European networks <i>which take into account future traffic flows</i>, thus bringing forward benefits for the entire Union in terms of <i>improving competitiveness on the global market</i> and economic, social and territorial cohesion within the <i>single market</i>, and creating an environment more conducive to private, <i>public or public-private</i> investment through a combination of financial instruments and Union direct support <i>where projects could benefit from a blending of instruments</i>. The achievement of this objective will be measured by the volume of <i>private, public or public-private</i> investment in projects of common interest <i>and, inter alia, those</i> realised through the financial instruments under this Regulation;</p>	<p>(a) contributing to smart, sustainable and inclusive growth by developing modern and high performing trans-European networks, thus benefiting the entire European Union in terms of competitiveness and economic, social and territorial cohesion within the Single Market and creating an environment more conducive to private and public investment by appropriately exploiting synergies across the sectors. The achievement of this objective will be measured by the volume of public and private investment in projects of common interest, and in particular the volume of private investments in projects of common interest achieved through the financial instruments under this Regulation. Special focus will be on the efficient use of public investment.</p>	<p><u>Agreed text:</u> (a) contributing to smart, sustainable and inclusive growth, <u>in line with the Europe 2020 Strategy</u>, by developing modern and high performing trans-European networks <u>which take into account expected future traffic flows</u>, thus benefiting the entire European Union in terms of <u>improving</u> competitiveness <u>on the global market</u> and economic, social and territorial cohesion within the Single Market and creating an environment more conducive to private, and public <u>or public-private investment through a combination of financial instruments and Union direct support where projects could benefit from such a combination of instruments and</u> by appropriately exploiting synergies across the sectors. The achievement of this objective will be measured by the volume of <u>private, public and or public-private partnership</u> investment in</p>

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			projects of common interest, and in particular the volume of private investments in projects of common interest achieved through the financial instruments under this Regulation. Special focus will be on the efficient use of public investment.
AM 54 Article 3 point b			
(b) enable the Union to achieve its targets of a 20% reduction of greenhouse gas emissions ⁴⁰ , a 20% increase in energy efficiency and raising the share of renewable energy to 20% up to 2020, while ensuring greater solidarity among Member States.	(b) enable the Union to achieve its <i>sustainable development</i> targets, including a minimum 20% reduction of greenhouse gas emissions <i>compared to 1990 levels</i> and a 20% increase in energy efficiency, and raising the share of renewable energy to 20% <i>by 2020</i> , thus contributing to the Union's mid-term and long-term objectives in terms of decarbonisation , while ensuring greater solidarity among Member States;	(b) contributing to the efforts of the Union to achieve its targets of a 20 % reduction of greenhouse gas emissions ⁴¹ , a 20 % increase in energy efficiency and raising the share of renewable energy to 20 % by 2020 ⁴² , while ensuring greater solidarity among Member States.	<u>Agreed text:</u> (b) contributing to the efforts of enable the Union to achieve its sustainable development targets of a , including a minimum 20% reduction of greenhouse gas emissions compared to 1990 levels and a 20% increase in energy efficiency, and raising the share of renewable energy to 20% by 2020, thus contributing to the Union's mid-term and long-term objectives in terms of decarbonisation , while ensuring

⁴⁰ If the conditions are right, up to 30%.

⁴¹ A new recital will be introduced in order to indicate this possible target and making explicit the conditions to be fulfilled, taking into account the latest stage of the negotiations on this issue.

⁴² The following text will be added at the end of recital (5): "... by contributing to the 2020 objectives and taking into account the emission reduction objective for 2050."

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			greater solidarity among Member States;
AM 55 Article 3 point b a (new)			
	<i>(ba) increase the efficiency of the resources deployed under this Regulation. Attainment of this objective will be assessed in terms of the economies of scale made by the Commission at a financial, technical and human level when managing the Connecting Europe Facility and, where applicable, of the total number of projects harnessing the synergies between the sectors;</i>		[Note: AM included in Article 26(1)]
AM 56 Article 3 point b b (new)			
	<i>(bb) contribute to supporting projects with a European added value and significant societal benefits which do not receive adequate financing from the market.</i>		AM included in chapeau of Article 3

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Article 4 Specific sectoral objectives		Article 4 Specific sectoral objectives	Article 4 Specific sectoral objectives
AM 57 Article 4 paragraph 1 - introductory wording			
1. Further to the general objectives set out under Article 3, the Connecting Europe Facility should contribute to achieving the following sector specific objectives:	1. <i>Without prejudice</i> to the general objectives set out under Article 3, the Connecting Europe Facility shall contribute to achieving the following sector-specific objectives:	Without prejudice to the general objectives set out in Article 3, the CEF shall contribute to achieving the following specific sectoral objectives:	<u>Agreed text:</u> Without prejudice to the general objectives set out in Article 3, the CEF shall contribute to achieving the following specific sectoral objectives:
(a) In the field of transport, the Connecting Europe Facility shall support projects of common interest pursuing the objectives set out below, as further specified under Article 4 of Regulation (EU) No xxxx/2012 [TEN-T Guidelines]:		(a) In the transport sector, the CEF shall support projects of common interest as identified in Article 7(2) of Regulation (EU) No XXXX/2012 [TEN-T Guidelines] pursuing the objectives set out below, as further specified under Articles 2a and 4 of Regulation (EU) No XXXX/2012 [TEN-T Guidelines]:	<u>Agreed text:</u> (a) In the transport sector, the CEF shall support projects of common interest as identified in Article 7(2) of Regulation (EU) No XXXX/2012 [TEN-T Guidelines] pursuing the objectives set out below, as further specified under Articles 2a and 4 of Regulation (EU) No XXXX/2012 [TEN-T Guidelines]:

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AM 58 Article 4 paragraph 1 - point a - point i			
(i) removing bottlenecks and bridging missing links, to be measured by the number of new and improved cross-border connections and removed bottlenecks on transport routes which have benefited from the Connecting Europe Facility;	(i) removing bottlenecks and bridging missing links, <i>in particular on cross-border sections</i> , to be measured by the number of new and improved cross-border connections and removed bottlenecks <i>for all modes</i> on transport routes which have benefited from the Connecting Europe Facility;	(i) removing bottlenecks and bridging missing links. The achievement of this objective shall be measured by the number of new or improved cross-border connections, removed bottlenecks and sections of increased capacity on transport routes which have benefited from the CEF;	<u>Agreed text:</u> (i) removing bottlenecks, and bridging missing links, <u>and, in particular, improving cross-border sections</u> . The achievement of this objective shall be measured by the number of new or improved cross-border connections, removed bottlenecks and sections of increased capacity on transport routes <u>for all modes</u> which have <u>received funding</u> benefited from the CEF;
AM 59 Article 4 paragraph 1 - point a - point ii			
(ii) ensuring sustainable and efficient transport in the long run, to be measured by the length of the conventional railway network in the EU-27 and the length of high-speed railway network in the EU-27;	(ii) ensuring sustainable and efficient transport in the long run, to be measured by the length of the railway <i>and inland waterway network created or upgraded to the core network requirements set out in Article 45(2) of Regulation (EU) No XXXX/2012 [TEN-T Guidelines]</i> and by the number of supply points in alternative sources of energy for vehicles using the <i>core road</i> network in the EU-27;	(ii) ensuring sustainable and efficient transport systems in the long run. The achievement of this objective shall be measured by the length of the railway network in the EU-27 complying with the requirements set out in Article 45(2) of Regulation (EU) No XXXX/2012 [TEN-T Guidelines], the length of high-speed railway network in the EU-27, the length of inland waterway network by class in the EU-27, and the reduction in	<u>Presidency compromise proposal:</u> (ii) ensuring sustainable and efficient transport systems in the long run, <u>with a view to preparing for expected future transport flows as well as enabling the decarbonisation of all modes of transport through transition to innovative low-carbon and energy efficient transport technologies, while optimising interoperability and safety</u> . The achievement of this objective shall

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		casualties on the road network in the EU-27;	be measured by <u>the length of inland waterway network by class in the [EU-28], the length of the railway network in the [EU-28] upgraded following the requirements set out in Article 45(2) of Regulation (EU) No XXXX/2012 [TEN-T Guidelines], the number of supply points in alternative sources of energy for vehicles using the core road network in the [EU-28]</u> the length of the railway network in the EU-27 complying with the requirements set out in Article 45(2) of Regulation (EU) No XXXX/2012 [TEN-T Guidelines], the length of high-speed railway network in the EU-27, the length of inland waterway network by class in the EU-27, and the reduction in casualties on the road network in the [EU-27 28] .

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AM 60 Article 4 paragraph 1 - point a - point iii			
<p>(iii) optimise the integration and interconnection of transport modes and enhancing interoperability of transport services. The achievement of this objective will be measured by the number of ports and airports connected to the railway network.</p>	<p>(iii) optimise the integration and interconnection of transport modes and <i>enhance the multimodality and accessibility</i> of transport services. The achievement of this objective will be measured by the number of <i>inland and maritime</i> ports and airports connected to the railway network, <i>and by the number of multimodal logistics platforms and 'Motorways of the Sea' created;</i></p>	<p>(iii) optimising multimodality, efficiency and sustainability through the integration and interconnection of transport modes and enhancing interoperability of transport services. The achievement of this objective shall be measured by the number of ports and airports connected to the railway network, the number of interconnected maritime ports and their connections to the inland waterway network, the number of improved connections through motorways of the sea as provided for in Article 25 of Regulation (EU) No XXXX/2012 [TEN-T Guidelines], the number of improved hinterland connections, the number of improved logistic platforms as defined in Article 3 of Regulation (EU) No XXXX/2012 [TEN-T Guidelines], and the length of the network equipped with ERTMS.</p>	<p><u>Presidency compromise proposal:</u> (iii) optimising multimodality, efficiency and sustainability through the integration and interconnection of transport modes and enhancing interoperability of transport services, <u>while ensuring the accessibility of transport infrastructures.</u> The achievement of this objective shall be measured by the number of <u>multimodal logistic platforms including inland and maritime</u> ports and airports connected to the railway network, the number of <u>and improved rail-road terminals, intereconnected maritime ports and their connections to the inland waterway network, and</u> the number of improved <u>or new</u> connections <u>between ports</u> through Motorways of the Sea, <u>the number of kilometres of inland waterways fitted with RIS, the number of kilometres of railway line adapted to the European nominal gauge standard and fitted with ERTMS, and the level of</u></p>

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			<p><u>deployment of SESAR, VTMISS and ITS for the road sector.</u> as provided for in Article 25 of Regulation (EU) No XXXX/2012 [TEN-T Guidelines], the number of improved hinterland connections, the number of improved logistic platforms as defined in Article 3 of Regulation (EU) No XXXX/2012 [TEN-T Guidelines], and the length of the network equipped with ERTMS.</p>
		<p>The indicators referred to in this paragraph shall not apply to Member States which do not have a rail network or an inland waterway network, as appropriate.</p>	<p><u>Agreed text:</u> The indicators referred to in this paragraph shall not apply to Member States which do not have a rail network or an inland waterway network, as appropriate.</p>
		<p>These indicators shall not be understood to constitute selection or eligibility criteria of actions for support from the CEF.</p>	<p><u>Agreed text:</u> These indicators shall not be understood to constitute selection or eligibility criteria for actions for support from the CEF.</p>

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AM 61 Article 4 paragraph 1 - point a - point iii a (new)			
	<i>(iia) optimise the interoperability and safety of transport modes. The achievement of this objective will be measured by the number of kilometres fitted with intelligent transport systems (ERTMS and RIS), the number of kilometres of line adapted to the European nominal gauge standard and the level of deployment of ITS for the road sector, SESAR and VTMS;</i>		<u>Agreed text:</u> (...)
AM 62 Article 4 paragraph 1 - point a - point iii b (new)			
	<i>(iib) preparing for future transport flows;</i>		<u>Agreed text:</u> (...)

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AM 63 Article 4 paragraph 1 - point a - point iii c (new)			
	<i>(iic) enabling all modes of transport to be decarbonised through transition to innovative low-carbon and energy-efficient transport technologies as well as the introduction of alternative propulsion systems and the provision of the adequate infrastructure required to support the transition to a low-carbon economy and transport system.</i>		<u>Agreed text:</u> (...)
(b) In the field of energy, the Connecting Europe Facility shall support projects of common interest pursuing the following objectives, as further specified in Regulation (EU) No xxxx/2012 [Guidelines for trans-European energy infrastructure]:		(b) In the energy sector, the CEF shall support projects of common interest pursuing one or more of the following objectives:	

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AM 64 Article 4 paragraph 1 - point b - point i			
<p>(i) promoting the further integration of the internal energy market and the interoperability of electricity and gas networks across borders, including by ensuring that no Member State is isolated from the European network, to be measured by the number of projects effectively interconnecting Member states' networks and removing internal bottlenecks;</p>	<p>(i) increasing competitiveness by promoting the further integration of the internal energy market and the interoperability of electricity and gas networks across borders, including by ensuring that no Member State is isolated from the European network or dependent on a single source, to be measured by the number of projects effectively contributing to competition between sources of supply and price convergence in the gas market by interconnecting Member States' networks and removing internal bottlenecks;</p>	<p>(i) promoting the further integration of the internal energy market and the interoperability of electricity and gas networks across borders;</p>	<p><u>Presidency compromise proposal:</u> (i) increasing competitiveness by promoting the further integration of the internal energy market and the interoperability of electricity and gas networks across borders.</p> <p><u>The achievement of this objective shall be measured ex post by:</u></p> <ul style="list-style-type: none"> - the number of projects effectively interconnecting Member states' networks and removing internal constraints; - the reduction or elimination of Member States' energy isolation; - the percentage of electricity cross border transmission power in relation to installed electricity generation capacity in the relevant Member States; ¶ <p><u>- price convergence in the gas and/or electricity markets of the Member States concerned; and</u></p> <ul style="list-style-type: none"> - the percentage of the highest peak demand of the two Member States concerned covered by reversible flow interconnections for gas;

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AM 65 Article 4 paragraph 1 - point b - point ii			
(ii) enhancing Union security of supply, to be measured by the evolution of system resilience and security of system operations as well as number of projects allowing diversification of supply sources, supplying counterparts and routes;	(ii) enhancing Union security of supply <i>in both the electricity sector and the gas sector</i> , to be measured by the evolution of system <i>resilience, efficiency</i> and security of system operations, <i>and by the deployment of smart grids, the optimal utilisation of energy infrastructure assets and the integration of renewable energy sources</i> , as well as <i>the</i> number of projects allowing diversification of supply sources, supplying counterparts and routes;	(ii) enhancing Union security of energy supply;	Presidency compromise proposal: (ii) enhancing Union security of energy supply; <u>The achievement of this objective shall be measured <i>ex post</i> by:</u> - <u>the number of projects allowing diversification of supply sources, supplying counterparts and routes;</u> - <u>the number of projects increasing storage capacity;</u> - <u><i>system resilience</i>, taking into account the number of supply disruptions and their duration;</u> - <u>the amount of avoided curtailment of renewable energy;</u> - <u>the connection of isolated markets to more diversified supply sources;</u> - <u>the optimal utilisation of energy infrastructure assets.</u>

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AM 66 Article 4 paragraph 1 - point b - point iii			
<p>(iii) contributing to sustainable development and protection of the environment, notably by fostering the integration of energy from renewable sources into the transmission network and developing carbon dioxide networks, to be measured by the transmission of renewable energy from generation to major consumption centers and storage sites, and the sum of CO₂ emissions prevented by the construction of the projects which benefited from the Connecting Europe Facility.</p>	<p>(iii) contributing to sustainable development and protection of the environment, notably by fostering the integration of energy from renewable sources into the transmission <i>and distribution</i> network, <i>improving energy efficiency</i> and developing <i>smart energy networks and carbon dioxide networks</i>, to be measured by the transmission of renewable energy from generation to major consumption <i>centres</i> and storage sites, <i>the proportion of demand response enabled, the number of smart electricity grids</i>, and the sum of CO₂ emissions prevented by the construction of the projects which benefited from the Connecting Europe Facility, <i>as well as the total output from the renewable energy sources integrated into the European energy system</i>.</p>	<p>(iii) contributing to sustainable development and protection of the environment.</p>	<p><u>Presidency compromise proposal:</u></p> <p>(iii) contributing to sustainable development and protection of the environment, <u>inter alia by the integration of energy from renewable sources into the transmission network, and by the development of smart energy networks and carbon dioxide networks.</u></p> <p><u>The achievement of this objective shall be measured ex post by:</u></p> <ul style="list-style-type: none"> <u>- the amount of renewable electricity transmitted from generation to major consumption centers and storage sites;</u> <u>- the amount of avoided curtailment of renewable energy;</u> <u>- the number of deployed smart grid projects which benefited from the CEF and the demand response enabled by them;</u> <u>- the amount of CO₂ emissions prevented by the projects which benefited from the CEF.</u>

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			<p><u>Presidency compromise proposal:</u> <u>(ba) The elements in the preceding paragraph 1(b) serving for the <i>ex post</i> measurement of the achievement of the objectives shall not constitute selection or eligibility criteria for actions of support from the CEF.</u></p>
		<p>The conditions for eligibility for Union financial assistance for projects of common interest are set out in Article 15 of Regulation (EU) No xxxx/2012 on guidelines for trans-European energy infrastructure and repealing Decision No 1364/2006/EC, whilst the selection criteria for projects of common interest are set out in Article 4 of that Regulation</p>	<p>[correct reference to Article 14, not 15]</p>

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		(ba) (i) The achievement of the objective set out in point (b)(i) of this Article shall be measured <i>ex post</i> by:	<u>deleted (moved to para 1(b)(i))</u>
		<ul style="list-style-type: none"> - the number of projects effectively interconnecting Member states' networks and removing internal constraints; - the reduction or elimination of Member States' energy isolation; - the percentage of electricity cross border transmission power in relation to installed electricity generation capacity in the relevant Member States; and - the percentage of the highest peak demand of the two Member States concerned covered by reversible flow interconnections for gas 	<u>deleted (moved to para 1(b)(i))</u>

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		(ii) The achievement of the objective set out in point (b)(ii) of this Article shall be measured <i>ex post</i> by:	<u>deleted (moved to para 1(b)(ii))</u>
		<ul style="list-style-type: none"> - the number of projects allowing diversification of supply sources, supplying counterparts and routes; - the number of projects increasing storage capacity; - the number of disruptions and their duration; - the amount of avoidable spillage of renewable energy due to a lack of crossborder connections; - the connections of isolated markets with more diversified supply sources. 	<u>deleted (moved to para 1(b)(ii))</u>
		(iii) The achievement of the objective set out in point (b)(iii) of this Article shall be measured <i>ex post</i> by:	<u>deleted (moved to para 1(b)(iii))</u>

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		<ul style="list-style-type: none"> - the transmission of renewable electricity from generation to major consumption centers and storage sites; - the sum of CO₂ emissions prevented by the construction of the projects which benefited from the CEF. 	<u>deleted (moved to para 1(b)(iii))</u>
		These elements serve for the <i>ex post</i> measurement of the achievement of the objectives and shall not constitute selection or eligibility criteria for actions of support from the CEF.	<u>deleted (moved to para 1(ba))</u>
(c) In the field of telecommunications networks the Connecting Europe Facility shall provide for action to support projects of common interest pursuing the following objectives, as further specified in Regulation (EU) No xxxx/2012 [INFSO Guidelines]:		(c) In the telecommunications sector the CEF shall provide for actions to support projects of common interest pursuing the objectives specified in Article 2 of Regulation (EU) No XXXX/2012 [INFSO Guidelines].	INFSO Guidelines on hold - to be discussed later

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AM 67 Article 4 paragraph 1 - point c - point i			
	<i>(-i) stimulating and generating demand for broadband services by promoting the interconnection and interoperability of national public services online as well as access to such networks, to be measured by the percentage of citizens and businesses using public services online and the availability of such services across borders;</i>		INFISO Guidelines on hold - to be discussed later
(i) accelerating the deployment of fast and ultrafast broadband networks and their uptake, including by small and medium sized enterprises (SMEs), to be measured by the level of broadband and ultrafast broadband coverage and the number of households having subscribed for broadband connections for above 100 Mbps;	(i) accelerating the deployment of fast and ultrafast broadband networks and their uptake, <i>in order to meet existing and rising demand, close the digital divide and promote competitiveness, jobs and growth</i> , including by <i>connecting</i> small and medium-sized enterprises (SMEs), to be measured by the level of broadband coverage and the number of households having subscribed for broadband connections <i>at speeds of 100 Mbps, 1 Gbps and above</i> ;		INFISO Guidelines on hold - to be discussed later

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(ii) promoting the interconnection and interoperability of national public services on-line as well as access to such networks, to be measured by the percentage of citizens and businesses using public services on-line and the availability of such services across borders.			INFSO Guidelines on hold - to be discussed later
Article 5 Budget		Article 5 Budget	Article 5 Budget
AM 68 Article 5 paragraph 1			
<p>1. The financial envelope for the implementation of the Connecting Europe Facility for the period 2014 to 2020 shall be EUR 50 000 000 000¹. That amount shall be distributed among the sectors referred to in Article 3 as follows:</p> <p>¹ <i>All figures in constant 2011 prices. The corresponding amounts, expressed in current prices, can be found in the Legislative Financial Statement.</i></p>	<p>1. <i>The estimated investment requirement for trans-European networks in the transport, energy and telecommunications sectors for the period up to 2020 is EUR 970 000 000 000.</i> The financial envelope for the implementation of the Connecting Europe Facility for the period 2014 to 2020 shall be [EUR 50 000 000 000¹]. That amount shall be distributed among the sectors referred to in Article 3 as follows:</p> <p>¹ <i>Pending agreement on the Multiannual Financial Framework for the period 2014-2020.</i></p>	<p>1. The financial envelope of the CEF for the period 2014 to 2020 shall be [EUR 50 000 000 000].¹ That amount shall be distributed as follows:</p> <p>¹ <i>All figures in constant 2011 prices. The corresponding amounts, expressed in current prices, can be found in the Legislative Financial Statement.</i></p>	<p><u>The following text could be included in a recital:</u></p> <p><u>"According to the European Commission, the estimated investment requirement for trans-European networks in the transport, energy and telecommunications sectors for the period up to 2020 is EUR 970 000 000 000."</u></p>

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(a) transport: EUR 31 694 000 000, out of which EUR 10 000 000 000 shall be transferred from the Cohesion Fund to be spent in line with this Regulation in Member States eligible for funding from the Cohesion Fund;	(a) transport: /EUR 31 694 000 000/ , of which /EUR 10 000 000 000/ shall be transferred from the Cohesion Fund to be spent in line with this Regulation <i>exclusively</i> in Member States eligible for funding from the Cohesion Fund;	(a) transport sector: [EUR 31 694 000 000][, out of which EUR 10 000 000 000 shall be transferred from the Cohesion Fund to be spent in line with this Regulation in Member States eligible for funding from the Cohesion Fund];	<u>Presidency compromise proposal:</u> (a) transport sector ⁴³ : [EUR XXX 31 694 000 000][, out of which EUR XXX 10 000 000 000 shall be transferred from the Cohesion Fund to be spent in line with this Regulation <i>exclusively</i> in Member States eligible for funding from the Cohesion Fund];
(b) energy: EUR 9 121 000 000;	(b) energy: /EUR 9 121 000 000/ ;	(b) energy sector: [EUR 9 121 000 000];	(b) energy sector: [EUR XXX 9 121 000 000];
(c) telecommunications: EUR 9 185 000 000.	(c) telecommunications: /EUR 9 185 000 000/ .	(c) telecommunications sector: [EUR 9 185 000 000].	(c) telecommunications sector: [EUR XXX 9 185 000 000].
			<u>Presidency compromise proposal:</u> <u>The transfer from the Cohesion Fund for transport infrastructure under the Connecting Europe Facility shall co-finance pre-identified projects listed in Part I of the annex to this Regulation; until 31 December 2016, the selection of projects eligible for financing should be carried out respecting the national</u>

⁴³ Commission figures: EUR 31 694 000 000, including EUR 10 000 000 000 for Cohesion countries (transport), EUR 9 121 000 000 (energy), EUR 9 185 000 000 (telecommunications). European Council figures: EUR 23 174 000 000, including EUR 10 000 000 000 for Cohesion countries (transport), EUR 5 126 000 000 (energy), EUR 1 000 000 000 (telecommunications). Figures pending agreement on the Multiannual Financial Framework for the period 2014-2020.

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			<u>allocations transferred from the Cohesion Fund to the Connecting Europe Facility. Thereafter, any unused funds may be redeployed to new projects through new competitive calls for proposals to all Member States eligible for funding from the Cohesion Fund to finance transport infrastructure projects in accordance with this Regulation.</u>
AM 69 Article 5 paragraph 2			
2. The financial envelope of the Connecting Europe Facility may cover expenses pertaining to, preparatory, monitoring, control, audit and evaluation activities which are required for the management of the Programme and the achievement of its objectives, in particular studies, meetings of experts, as far as they are related to the general objectives of this Regulation, expenses linked to IT networks focusing on information	2. The financial envelope of the Connecting Europe Facility <i>shall</i> cover expenses pertaining to: <i>(a) actions in support of projects of common interest, as defined in Article 7;</i> <i>(b) programme support actions, as defined in point (5) of Article 2, up to 1.5%;</i> <i>(c) the technical and administrative assistance expenses necessary to</i>	2. The CEF may cover expenses incurred by the Commission in programme support actions, as defined in Article 2(5), up to a ceiling of [0.35 %] ⁴⁴ of the financial envelope. This financial allocation may also cover the technical and administrative assistance expenses necessary to ensure the transition between the Programme and the measures adopted under Regulation (EC) No 680/2007 ⁴⁵ .	<u>Presidency compromise proposal:</u> 2. The CEF may cover expenses incurred by the Commission in programme support actions, as defined in Article 2(5), up to a ceiling of {0.35 %} <u>[0.6 %]</u> ⁴⁶ of the financial envelope; <u>the costs of the Agency entrusted by the Commission for the implementation of the Programme established by this Regulation shall not be included under this ceiling.</u> This financial

⁴⁴ Reservation pending the final decision on the global amount: 0.35% linked to EUR 50 billion.

⁴⁵ Regulation (EC) No 680/2007 of the European Parliament and of the Council of 20 June 2007 laying down general rules for the granting of Community financial aid in the field of the trans-European transport and energy network (OJ L 162, 22.6.2007, p. 1).

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processing and exchange, together with all other technical and administrative assistance expenses incurred by the Commission for the management of the Programme.	ensure the transition between the Programme and the measures adopted under Regulation (EC) No 680/2007.		allocation may also cover the technical and administrative assistance expenses necessary to ensure the transition between the Programme and the measures adopted under Regulation (EC) No 680/2007 ⁴⁷ .
The financial allocation may also cover the technical and administrative assistance expenses necessary to ensure the transition between the Programme and the measures adopted under Regulation (EC) No 680/2007 ⁴⁸ . If necessary, appropriations could be entered in the budget beyond 2020 to cover similar expenses, in order to enable the management of actions not yet completed by 31 December 2020.			

⁴⁶ Reservation pending the final decision on the global amount: 0.35% linked to EUR 50 billion.

⁴⁷ Regulation (EC) No 680/2007 of the European Parliament and of the Council of 20 June 2007 laying down general rules for the granting of Community financial aid in the field of the trans-European transport and energy network (OJ L 162, 22.6.2007, p. 1).

⁴⁸ Regulation (EC) No 680/2007 of the European Parliament and of the Council of 20 June 2007 laying down general rules for the granting of Community financial aid in the field of the trans-European transport and energy network, OJ L 162, 22.6.2007, p. 1

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AM 70 Article 5 paragraph 3			
<p>3. Following the mid-term evaluation according to Article 26(1), the Commission may transfer appropriations between the sectors of the allocation set out in paragraph 1, with the exception of the EUR 10 000 000 000 transferred from the Cohesion Fund to finance transport sector projects in the Cohesion Fund eligible Member States.</p>	<p>3. Following the mid-term evaluation according to Article 26(1), the European Parliament and the Council may, upon a proposal by the Commission and after consultation of the committees concerned, transfer appropriations between the sectors of the allocation set out in paragraph 1, with the exception of the /EUR 10 000 000 000/¹ transferred from the Cohesion Fund to finance transport sector projects in the Cohesion Fund eligible Member States.</p> <p>¹ Pending agreement on the Multiannual Financial Framework for the period 2014-2020.</p>	<p>3. Following the mid-term evaluation referred to in Article 26(1), the European Parliament and the Council may upon a proposal by the Commission transfer appropriations between the sectors of the allocation set out in paragraph 1], with the exception of the EUR 10 000 000 000 transferred from the Cohesion Fund to finance transport sector projects in the Cohesion Fund eligible Member States⁴⁹.</p>	<p><u>Agreed text:</u> 3. Following the mid-term evaluation referred to in Article 26(1), the European Parliament and the Council may upon a proposal by the Commission transfer appropriations between the sectors of the allocation set out in paragraph 1], with the exception of the EUR 10 000 000 000 transferred from the Cohesion Fund to finance transport sector projects in the Cohesion Fund eligible Member States⁵⁰.</p>

⁴⁹ A new recital will be added indicating that the budgetary nomenclature should ensure that the transfers between sectors be submitted to the European Parliament and the Council.

⁵⁰ A new recital will be added indicating that the budgetary nomenclature should ensure that the transfers between sectors be submitted to the European Parliament and the Council.

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AM 71 Article 5 paragraph 3a (new)			
	<i>3a. The annual commitments shall be subject to the approval of the European Parliament and the Council, within the limits of the Multiannual Financial Framework.</i>		<u>EP amendment possibly acceptable</u>
		4. The annual appropriations shall be authorised by the European Parliament and the Council within the limits of the multiannual financial framework.	<u>Agreed text:</u> 4. The annual appropriations shall be authorised by the European Parliament and the Council within the limits of the multiannual financial framework.
CHAPTER II		CHAPTER II	CHAPTER II
FORMS OF FINANCING AND FINANCIAL PROVISIONS		FORMS OF FINANCING AND FINANCIAL PROVISIONS	FORMS OF FINANCING AND FINANCIAL PROVISIONS
Article 6 Forms of financial aid		Article 6 Forms of financial aid	Article 6 Forms of financial aid
1. The Connecting Europe Facility shall be implemented by one or several of the forms of financial aid, provided for by Regulation (EU) No XXX/2012 [New Financial Regulation], in particular, grants, procurements and financial instruments.		1. The CEF shall be implemented by one or several of the forms of financial aid, provided for by Regulation (EU) No XXXX/2012 [New Financial Regulation], in particular, grants, procurements and financial instruments.	<u>Agreed text:</u> 1. The CEF shall be implemented by one or several of the forms of financial aid, provided for by Regulation (EU) No XXXX/2012 [New Financial Regulation], in particular, grants, procurements and financial instruments.

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AM 72 Article 6 paragraph 1a (new)			
	<i>1a. The work programmes shall establish the forms of grants, procurements and financial instruments that may be used to fund the envisaged priorities.</i>		Agreed text: <u>1a. The work programmes shall establish the forms of financial assistance i.e. grants, procurements and financial instruments that may be used.</u>
AM 73 Article 6 paragraph 2			
2. The Commission may entrust part of the implementation of the Connecting Europe Facility to the bodies set out in Article 55(1)(c) of Regulation (EU) No XXXX/2012 [New Financial Regulation].	2. The Commission may, <i>subject to an impact assessment</i> , entrust part of the implementation of the Connecting Europe Facility to the bodies <i>referred to</i> in Article 55(1)(a) and Article 59 of Regulation (EU, Euratom) No 966/2012 <i>and notably to the TEN-T Executive Agency, gearing this to the optimum management and efficiency requirements of the Connecting Europe Facility in the three sectors.</i>	2. The Commission may entrust part of the implementation of the CEF to the bodies set out in Article 55(1)(c) of Regulation (EU) No XXXX/2012 [New Financial Regulation].	Agreed text: 2. The Commission may entrust, <u>subject to a cost-benefit analysis</u> , part of the implementation of the <u>CEF Connecting Europe Facility</u> to the bodies <u>set out referred to</u> in Article <u>585(1)(ae) and Article 62</u> of Regulation (EU, <u>Euratom</u>) No <u>966/2012 XXXX/2012</u> [<u>New Financial Regulation</u>] <u>and notably to the TEN-T Executive Agency, gearing this to the optimum management and efficiency requirements of the Connecting Europe Facility in the three sectors. In addition, the Commission may also entrust part of the implementation of the Connecting Europe Facility to the bodies set out in Article 58(1)(c) of Regulation (EU, Euratom) No 966/2012 .</u>

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Article 7 Eligibility and conditions for financial assistance		Article 7 Eligibility and conditions for financial assistance	Article 7 Eligibility and conditions for financial assistance
1. Only actions contributing to projects of common interest according to Regulations (EU) No XXX/2012 [TEN-T Guidelines], (EU) No XXX/2012 [Guidelines for trans-European energy infrastructure] and (EU) XXX/2012 [INFSO Guidelines] as well as programme support actions shall be eligible for support through Union financial aid in the form of grants, financial instruments and procurement.		1. Only actions contributing to projects of common interest according to Regulations (EU) No XXXX/2012 [TEN-T Guidelines], (EU) No XXXX/2012 [Guidelines for trans-European energy infrastructure] and No (EU) XXXX/2012 [INFSO Guidelines] as well as programme support actions as defined in Article 2(5) shall be eligible for support through Union financial aid in the form of grants, financial instruments and procurement.	<u>Agreed text:</u> 1. Only actions contributing to projects of common interest according to Regulations (EU) No XXXX/2012 [TEN-T Guidelines], (EU) No XXXX/2012 [Guidelines for trans-European energy infrastructure] and No (EU) XXXX/2012 [INFSO Guidelines] as well as programme support actions as defined in Article 2(5) shall be eligible for support through Union financial aid in the form of grants, financial instruments and procurement.

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AM 74 Article 7 paragraph 2			
<p>2. In the field of transport, only actions contributing to projects of common interest according to Regulation (EU) No XXX/2012 [TEN-T Guidelines] and programme support actions, shall be eligible for support through Union financial aid in the form of procurement and financial instruments under this Regulation. In the form of grants, only the following actions shall be eligible to receive Union financial aid under this Regulation:</p>	<p>2. In the field of transport, only actions contributing to projects of common interest <i>in accordance with</i> Regulation (EU) No XXX/2012 [TEN-T Guidelines] and programme support actions shall be eligible for support through Union financial aid in the form of procurement and financial instruments under this Regulation. In the form of grants, only the following actions shall be eligible to receive Union financial aid under this Regulation:</p>	<p>2. In the field of transport, only actions contributing to projects of common interest according to Regulation (EU) No XXXX/2012 [TEN-T Guidelines] and programme support actions, shall be eligible for support through Union financial aid in the form of procurement and financial instruments under this Regulation. In the form of grants, only the following actions shall be eligible to receive Union financial aid under this Regulation:</p>	<p><u>Agreed text:</u> 2. In the field of transport, only actions contributing to projects of common interest <i>in accordance with</i> Regulation (EU) No XXX/2012 [TEN-T Guidelines] and programme support actions shall be eligible for support through Union financial aid in the form of procurement and financial instruments under this Regulation. In the form of grants, only the following actions shall be eligible to receive Union financial aid under this Regulation:</p>
<p>(a) actions implementing the core network according to Chapter III of Regulation (EU) No XXXX/2012 [TEN-T Guidelines], including the deployment of new technologies and innovation according to Article 39 of Regulation (EU) No XXXX/2012 [TEN-T Guidelines];</p>	<p>(a) actions implementing the core network <i>in accordance with</i> Chapter III of Regulation (EU) No XXXX/2012 [TEN-T Guidelines], including the deployment of new technologies and innovation <i>in accordance with that Regulation, and priorities pre-identified in Part 1 of the Annex to this Regulation;</i></p>	<p>(a) actions implementing the core network according to Chapter III of Regulation (EU) No XXXX/2012 [TEN-T Guidelines], including the deployment of new technologies and innovation according to Article 39 of Regulation (EU) No XXXX/2012 [TEN-T Guidelines];</p>	<p><u>Agreed text:</u> (a) actions implementing the core network according to Chapter III of Regulation (EU) No XXXX/2012 [TEN-T Guidelines], including the deployment of new technologies and innovation according to Article 39 of Regulation (EU) No XXXX/2012 [TEN-T Guidelines] <u>and project and horizontal priorities identified in Part I of the Annex to this Regulation;</u></p>

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		<p>(aa) actions implementing the comprehensive network according to Chapter II of Regulation (EU) No XXXX/2012 [TEN-T Guidelines] when such actions contribute to facilitating cross-border traffic flows or removing bottlenecks and when these actions also contribute to the development of the core network, up to a ceiling of 5% of the financial envelope for transport as specified in Article 5 of this Regulation;</p>	<p><u>Agreed text:</u> (aa) actions implementing the comprehensive network according to Chapter II of Regulation (EU) No XXXX/2012 [TEN-T Guidelines], when such actions contribute to <u>bridging missing links</u>, facilitating cross-border traffic flows or removing bottlenecks and when these actions also contribute to the development of the core network <u>or interconnect core network corridors or when such actions contribute to the deployment of ERTMS on principal routes of rail freight corridors as defined in the Annex of Regulation (EU) No 913/2010</u>, up to a ceiling of 5% of the financial envelope for transport as specified in Article 5 of this Regulation;</p>

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(b) studies for projects of common interest as defined in Article 8(1)(b) and (c) of Regulation (EU) No XXXX/2012 [TEN-T Guidelines];	(b) studies for projects of common interest as defined in Article 8(1)(b) and (c) of Regulation (EU) No XXXX/2012 [TEN-T Guidelines] <i>as well as for the cross-border priority projects defined in Annex III to Decision No 661/2010/EU of the European Parliament and of the Council of 7 July 2010 on Union guidelines for the development of the trans-European transport network¹</i> ; ¹ OJ L 204, 5.8.2010, p. 1.	(b) studies for projects of common interest as defined in Article 8(1)(b) and (c) of Regulation (EU) No XXXX/2012 [TEN-T Guidelines];	<u>Agreed text:</u> (...)
			<u>Agreed text:</u> <u>(bb) studies for cross-border priority projects defined in Annex III to Decision No 661/2010/EU of the European Parliament and of the Council of 7 July 2010 on Union guidelines for the development of the trans-European transport network;</u>
(c) actions supporting projects of common interest as defined in Article 8(1)(a) and (d) of Regulation (EU) No XXXX/2012 [TEN-T Guidelines];	(c) actions supporting projects of common interest as defined in Article 8(1)(a) and (d) of Regulation (EU) No XXXX/2012 [TEN-T Guidelines];	(c) actions supporting projects of common interest as defined in Article 8(1)(a), (d) and (e) of Regulation (EU) No XXXX/2012 [TEN-T Guidelines];	<u>Agreed text:</u> (c) actions supporting projects of common interest as defined in Article 8(1)(a), (d) and (e) of Regulation (EU) No XXXX/2012 [TEN-T Guidelines];

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	<i>(ca) actions supporting urban nodes of the core network;</i>		<u>Presidency compromise proposal: (ca) actions implementing transport infrastructure in nodes of the core network, including urban nodes, defined in Article 47 of Regulation (EU) No XXXX/2012 [TEN-T Guidelines];</u>
(d) actions supporting traffic management systems in accordance with Article 37 of Regulation (EU) No XXX/2012 [TEN-T Guidelines];	(d) actions supporting traffic management systems in accordance with Article 37 of Regulation (EU) No XXX/2012 [TEN-T Guidelines];	(d) actions supporting telematic applications systems in accordance with Article 37 of Regulation (EU) No XXXX/2012 [TEN-T Guidelines];	<u>Agreed text:</u> (d) actions supporting telematic applications systems in accordance with Article 37 of Regulation (EU) No XXXX/2012 [TEN-T Guidelines];
(e) actions supporting freight transport services in accordance with Article 38 of Regulation (EU) No XXX/2012 [TEN-T Guidelines];	(e) actions supporting freight transport services in accordance with Article 38 of Regulation (EU) No XXX/2012 [TEN-T Guidelines];	(e) actions supporting freight transport services in accordance with Article 38 of Regulation (EU) No XXXX/2012 [TEN-T Guidelines];	<u>Agreed text:</u> (e) actions supporting freight transport services in accordance with Article 38 of Regulation (EU) No XXXX/2012 [TEN-T Guidelines];
(f) actions to reduce rail freight noise by retrofitting of existing rolling stock;	(f) actions to reduce rail freight noise by retrofitting of existing rolling stock, <i>in concertation with, inter alia, the railway industry;</i>	(f) actions targeting the reduction of rail noise including by retrofitting of existing rolling stock in order to ensure viable use of the TEN-T network respecting noise level requirements;	<u>Agreed text:</u> (f) actions to reduce targeting the reduction of rail freight noise including by retrofitting of existing rolling stock in cooperation with, inter alia, the railway industry in order to ensure viable use of the TEN-T network respecting noise level requirements;

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(g) programme support actions.	(g) programme support actions.	(g) programme support actions;	<u>Agreed text:</u> (g) programme support actions;
		(h) actions implementing safe and secure infrastructure in accordance with Article 40 of Regulation (EU) No XXXX/2012 [TEN-T Guidelines];	<u>Agreed text:</u> (h) actions implementing safe and secure infrastructure in accordance with Article 40 of Regulation (EU) No XXXX/2012 [TEN-T Guidelines];
		(i) actions supporting motorways of the sea as provided for in Article 25 of Regulation (EU) No XXXX/2012 [TEN-T Guidelines].	<u>Agreed text:</u> (i) actions supporting motorways of the sea as provided for in Article 25 of Regulation (EU) No XXXX/2012 [TEN-T Guidelines].
Transport-related actions involving a cross-border section or a part of such a section shall be eligible to receive Union financial aid if there is a written agreement between the Member States concerned or between the Member States and third countries concerned relating to the completion of the cross-border section. Exceptionally, when a project is necessary to link to the network of a neighbouring Member State or a third country but does not actually cross the border, the written agreement referred to above shall not be required.	Transport-related actions involving a cross-border section or a part of such a section shall be eligible to receive Union financial aid if a written agreement is concluded between the Member States concerned or between the Member States and third countries concerned relating to the realisation or completion of the cross-border section.	Transport-related actions involving a cross-border section or a part of such a section shall be eligible to receive Union financial aid only if there is a written agreement between the Member States concerned or between the Member States and third countries concerned relating to the completion of the cross-border section. Exceptionally, when a project is necessary to establish a link to the network of a neighbouring Member State or a third country but does not actually cross the border, the written agreement referred to above shall not be required.	<u>Presidency compromise proposal:</u> Transport-related actions involving a cross-border section or a part of such a section shall be eligible to receive Union financial assistance aid only if there is a written agreement between the Member States concerned or between the Member States and third countries concerned relating to the completion of the cross-border section. Exceptionally, when a project is necessary to establish a link to the network of a neighbouring Member State or a third country but does not actually cross the border, the written

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			agreement referred to above shall not be required.
Grant funding for projects with significant user-based revenue sources shall be primarily available for purposes of project preparation, in particular PPP assessment.		[...] ⁵¹	<u>Agreed text:</u> (...)
AM 75 Article 7 paragraph 3			
3. In the field of energy, the specific eligibility conditions of actions implementing projects of common interest for Union financial aid in the form of financial instruments and grants under this Regulation are set out in Article 15 of Regulation (EU) No XXXX/2012 [Guidelines for trans-European energy infrastructure].	3. In the field of energy, the specific eligibility conditions of actions implementing projects of common interest for Union financial <i>support</i> in the form of financial instruments and grants under this Regulation are set out in Article 15 of Regulation (EU) No XXXX/2012 [Guidelines for trans-European energy infrastructure].	3. In the field of energy, all actions implementing those projects of common interest that relate to the priority corridors and areas referred to in Part II of the Annex to this Regulation are eligible for Union financial aid in the form of financial instruments and grants under this Regulation provided they meet the conditions set out in Article 15 of Regulation (EU) No XXXX/2012 [Guidelines for trans-European energy infrastructure].	<u>Compromise text under development.</u>

⁵¹ The following sentence could be added in recital (3): "The Connecting Europe Facility should support studies that explore alternative financing models for infrastructure projects, including PPP."

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	<i>The financial envelope envisaged for the energy sector in point (b) of Article 5(1) shall prioritise the use of financial instruments in order to enhance the multiplier effect of Union financial support, in accordance with Articles 14 and 15 of this Regulation.</i>		<u>EP amendment addressed in above paragraph.</u>
	<i>To that end, the Commission shall ensure that financial support is allocated mainly through financial instruments, subject to sufficient market take-up.</i>		<u>EP amendment addressed in above paragraph.</u>
	<i>Grants shall be used for actions which, according to the project's business plan and other assessments carried out, notably by potential investors, creditors or the national regulatory authority, are not commercially viable and for which a financial instrument would not be sufficient to lead to a positive investment decision.</i>		<u>EP amendment addressed in above paragraph.</u>
	<i>Furthermore, the selection should reflect the degree to which the project contributes to one or more of the relevant objectives:</i>		<u>EP amendment not acceptable</u>

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	– <i>promoting the further integration of the internal energy market and the interoperability of electricity and gas networks across borders, with an emphasis on ending energy isolation;</i>		<u>EP amendment not acceptable</u>
	– <i>enhancing the Union's security of energy supply, by enhancing system resilience and security of systems operation;</i>		<u>EP amendment not acceptable</u>
	– <i>contributing to sustainable development and protection of the environment, inter alia by ensuring transmission of renewable electricity from generation to major consumption centres and storage sites.</i>		<u>EP amendment not acceptable</u>

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AM 76 Article 7 paragraph 3a (new)			
	<p><i>3a. For the first two work programmes, priority consideration shall be given to projects and actions aiming at ending energy isolation and eliminating energy bottlenecks, while at least 75% of the total financial allocation envisaged for the energy sector under this Regulation shall be assigned to electricity infrastructure projects.</i></p>		<p><u>Compromise text under development.</u></p>
	<p><i>Additionally, the Connecting Europe Facility shall also support projects relating to renewable energy and smart electricity networks (at transmission and distribution level) through risk-sharing facilities that form part of the financial instruments described in Article 14(3)</i></p>		<p><u>EP amendment not acceptable</u></p>

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AM 77 Article 7 paragraph 4			
<p>4. In the field of telecommunication, all actions implementing the projects of common interest and programme support actions set out in the Annex of the Regulation (EU) No XXXX/2012 [INFSO Guidelines] shall be eligible to receive Union financial aid in the form of a grant, procurement and financial instruments under this Regulation.</p>	<p>4. In the field of <i>telecommunication</i>, actions implementing the projects of common interest and programme support actions <i>referred to</i> in the Annex to Regulation (EU) No XXXX/2012 [INFSO Guidelines] shall be eligible to receive Union financial aid <i>as follows</i>:</p>	<p>4. In the telecommunications sector, all actions implementing the projects of common interest and programme support actions set out in the Annex of Regulation (EU) No XXXX/2012 [INFSO Guidelines] shall be eligible to receive Union financial aid in the form of a grant, procurement and financial instruments under this Regulation. [[At least xx %] of the amount of the financial envelope referred to in Article 5(1)(c) shall be allocated to the support of pre-identified priorities and areas of intervention as listed in Part III of the Annex to this Regulation.]^{52 53}.</p>	<p>INFSO Guidelines on hold - to be discussed later</p>

⁵² The previously missing functional links to Parts II and III of the Annex have been established in paragraphs (3) and (4) of this article and they have to be respected by the sectoral Working Parties.

⁵³ Consistency between the Guidelines and the CEF to be assured. The issue of the functional link will be subject to further discussions in the Telecom Working Party.

COMMISSION PROPOSAL ST 16176/4/11 REV 4	EP AMENDMENTS (FIRST READING)	COUNCIL'S PROGRESS REPORT ST 17107/12	COMMENTS ¹
	– <i>generic services, core service platforms and programme support actions shall be financed through grants and/or procurement;</i>		INFSO Guidelines on hold - to be discussed later
	– <i>actions in the field of broadband networks shall be financed as a rule through financial instruments;</i>		INFSO Guidelines on hold - to be discussed later
	– <i>actions in the field of broadband networks may also be financed through grants, for projects which reduce the digital divide by connecting rural, mountainous, remote or sparsely populated regions or island, landlocked and peripheral regions, provided that granting aid through a financial instrument would not be sufficient to lead to a positive investment decision.</i>		INFSO Guidelines on hold - to be discussed later

COMMISSION PROPOSAL ST 16176/4/11 REV 4	EP AMENDMENTS (FIRST READING)	COUNCIL'S PROGRESS REPORT ST 17107/12	COMMENTS ¹
AM 78 Article 7 paragraph 4a (new)			
	<p><i>4a. Actions implementing projects of common interest with synergies between at least two of the sectors covered by the Connecting Europe Facility and listed in section a) of Part III of the Annex hereto, shall be eligible to receive financial aid from the Union under this Regulation.</i></p>		<p>Presidency compromise proposal: <u>4a. Actions with synergies between sectors contributing to projects of common interest eligible under at least two Regulations referred to in article 2(1) shall be eligible to receive financial aid under this Regulation for the purpose of multi-sectoral calls for proposals referred to in article 17(7).</u></p>

COMMISSION PROPOSAL ST 16176/4/11 REV 4	EP AMENDMENTS (FIRST READING)	COUNCIL'S PROGRESS REPORT ST 17107/12	COMMENTS ¹
CHAPTER III		CHAPTER III	CHAPTER III
GRANTS		GRANTS	GRANTS
Article 8 Forms of grants and eligible costs		Article 8 Forms of grants and eligible costs	Article 8 Forms of grants and eligible costs
1. Grants under this Regulation may take any of the forms provided for by Article XXX of Regulation (EU) No XXX/2012 [New Financial Regulation].		1. Grants under this Regulation may take any of the forms provided for by Regulation (EU) No XXXX/2012 [New Financial Regulation].	<u>Agreed text:</u> 1. Grants under this Regulation may take any of the forms provided for by Regulation (EU) No XXXX/2012 [New Financial Regulation].
AM 79 Article 8 paragraph 1 subparagraph 2			
The Work Programmes shall establish the forms of grants that may be used to fund the actions concerned.	The <i>work programmes referred to in Article 17</i> shall establish the forms of grants that may be used to fund the actions concerned.	The work programmes referred to in Article 17 shall establish the forms of grants that may be used to fund the actions concerned.	<u>Agreed text:</u> The work programmes referred to in Article 17 shall establish the forms of grants that may be used to fund the actions concerned.
2. Expenditure may be eligible from the date on which an application for aid is submitted. [Expenditure for actions resulting from projects included in the first multiannual programme may be eligible as from 1 January 2014].		2. Without prejudice to the Financial Regulation, expenditure for actions resulting from projects included in the first multiannual and annual work programmes may be eligible as from 1 January 2014.	<u>Agreed text:</u> 2. Without prejudice to the Financial Regulation, expenditure for actions resulting from projects included in the first multiannual and annual work programmes may be eligible as from 1 January 2014.

COMMISSION PROPOSAL ST 16176/4/11 REV 4	EP AMENDMENTS (FIRST READING)	COUNCIL'S PROGRESS REPORT ST 17107/12	COMMENTS ¹
3. Only expenditure incurred in Member States may be eligible, except where the project of common interest involves the territory of third countries and where the action is indispensable to achieve the objectives of the given project.		3. Only expenditure incurred in Member States may be eligible, except where the project of common interest involves the territory of third countries and where the action is indispensable to achieve the objectives of the given project.	<u>Agreed text:</u> 3. Only expenditure incurred in Member States may be eligible, except where the project of common interest involves the territory of third countries and where the action is indispensable to achieve the objectives of the given project.
4. The cost of equipment and infrastructure which is treated as capital expenditure by the beneficiary may be eligible up to its entirety.		4. The cost of equipment and infrastructure which is treated as capital expenditure by the beneficiary may be eligible up to its entirety.	<u>Agreed text:</u> 4. The cost of equipment and infrastructure which is treated as capital expenditure by the beneficiary may be eligible up to its entirety.
AM 80 Article 8 paragraph 5			
5. Expenditure related to environmental studies on the protection of the environment and on compliance with the Union acquis may be eligible.	5. Expenditure related to environmental studies on the protection of the environment and on compliance with the Union acquis <i>shall</i> be eligible.	5. Expenditure related to environmental studies on the protection of the environment and on compliance with the relevant Union legislation may be eligible.	<u>Agreed text:</u> 5. Expenditure related to environmental studies on the protection of the environment and on compliance with the relevant Union legislation may be eligible.

COMMISSION PROPOSAL ST 16176/4/11 REV 4	EP AMENDMENTS (FIRST READING)	COUNCIL'S PROGRESS REPORT ST 17107/12	COMMENTS ¹
AM 81 Article 8 paragraph 6			
<p>6. Expenditure related to the purchase of land shall not be an eligible cost.</p>	<p>6. Expenditure related to the purchase of land shall not be an eligible cost, <i>except in the case of projects supported by amounts transferred from the Cohesion Fund.</i></p>	<p>{6. Expenditure related to the purchase of land shall not be an eligible cost, except for funds transferred from the Cohesion Fund in the field of transport in accordance with Article 59 point 3 (b) of Regulation (EU) No XXXX/2012 [Regulation laying down common provisions on the European Regional Development Fund, the European Social Fund, the Cohesion Fund, the European Agricultural Fund for Rural Development and the European Maritime and Fisheries Fund covered by the Common Strategic Framework and laying down general provision on the European Regional Development Fund, the European Social Fund and the Cohesion Fund and repealing Regulation (EC) No 1083/2006].}</p>	<p><u>Agreed text:</u> 6. Expenditure related to the purchase of land shall not be an eligible cost, except for funds transferred from the Cohesion Fund in the field of transport in accordance with Article 59 point 3 (b) of Regulation (EU) No XXXX/2012 [Regulation laying down common provisions on the European Regional Development Fund, the European Social Fund, the Cohesion Fund, the European Agricultural Fund for Rural Development and the European Maritime and Fisheries Fund covered by the Common Strategic Framework and laying down general provision on the European Regional Development Fund, the European Social Fund and the Cohesion Fund and repealing Regulation (EC) No 1083/2006].</p>

COMMISSION PROPOSAL ST 16176/4/11 REV 4	EP AMENDMENTS (FIRST READING)	COUNCIL'S PROGRESS REPORT ST 17107/12	COMMENTS ¹
7. VAT shall not be an eligible cost.		[7. VAT shall not be an eligible cost.]	<p><u>Agreed text:</u> <u>7. Eligible costs shall include value added tax (“VAT”) in accordance with Article 126, paragraph 3(c) of Regulation (EU, EURATOM) N° 966/2012 of the European Parliament and the Council on the financial rules applicable to the general budget of the Union and repealing Council Regulation (EC, EURATOM) N° 1605/2002.</u></p> <p><u>As regards the EUR 10 000 000 000 transferred from the Cohesion Fund [Regulation XXXX Article XX] to be spent in Member States eligible for funding from the Cohesion Fund, the eligibility rules concerning VAT shall be those applicable to the Cohesion Fund referred to in Article XX of Regulation (EU) No XXXX/2012 [Regulation laying down common provisions on the European Regional Development Fund, the European Social Fund, the Cohesion Fund, the European</u></p>

COMMISSION PROPOSAL ST 16176/4/11 REV 4	EP AMENDMENTS (FIRST READING)	COUNCIL'S PROGRESS REPORT ST 17107/12	COMMENTS ¹
			<u>Agricultural Fund for Rural Development and the European Maritime and Fisheries Fund covered by the Common Strategic Framework and laying down general provisions on the European Regional Development Fund, the European Social Fund and the Cohesion Fund</u> .
8. Rules on the eligibility of costs incurred by beneficiaries shall apply <i>mutatis mutandis</i> to costs incurred by implementing bodies.		8. Rules on the eligibility of costs incurred by beneficiaries shall apply <i>mutatis mutandis</i> to costs incurred by implementing bodies.	<u>Agreed text:</u> 8. Rules on the eligibility of costs incurred by beneficiaries shall apply <i>mutatis mutandis</i> to costs incurred by implementing bodies.
Article 9 Conditions for participation		Article 9 Conditions for participation	Article 9 Conditions for participation
1. Proposals may be submitted by one or several Member States, international organisations, joint undertakings, or public or private undertakings or bodies established in Member States.		1. Proposals shall be submitted by one or more Member States or, with the agreement of the Member States concerned, by international organisations, joint undertakings, or public or private undertakings or bodies established in Member States.	<u>Agreed text:</u> 1. Proposals shall be submitted by one or more Member States or, with the agreement of the Member States concerned, by international organisations, joint undertakings, or public or private undertakings or bodies established in Member States.

COMMISSION PROPOSAL ST 16176/4/11 REV 4	EP AMENDMENTS (FIRST READING)	COUNCIL'S PROGRESS REPORT ST 17107/12	COMMENTS ¹
2. For that purpose, proposals may be submitted by entities which do not have legal personality under the applicable national law, provided that their representatives have the capacity to undertake legal obligations on their behalf and offer guarantee for the protection of the Union's financial interests equivalent to that offered by legal persons.		2. The proposals may be submitted by entities which do not have legal personality under the applicable national law, provided that their representatives have the capacity to undertake legal obligations on their behalf and offer guarantee for the protection of the Union's financial interests equivalent to that offered by legal persons.	<u>Agreed text:</u> 2. The proposals may be submitted by entities which do not have legal personality under the applicable national law, provided that their representatives have the capacity to undertake legal obligations on their behalf and offer guarantee for the protection of the Union's financial interests equivalent to that offered by legal persons.
3. Proposals submitted by natural persons shall not be eligible.		3. The proposals submitted by natural persons shall not be eligible.	<u>Agreed text:</u> 3. The proposals submitted by natural persons shall not be eligible.
AM 82 Article 9 paragraph 4 subparagraph 1			
4. Where it is needed to achieve the objectives of a given project of common interest, third countries and entities established in third countries may participate in actions contributing to the projects of common interest.	4. Where <i>necessary in order</i> to achieve the objectives of a given project of common interest and <i>where duly motivated</i> , third countries and entities established in third countries may participate in actions contributing to projects of common interest, <i>in particular regarding diversification of supply sources and security of supply in the energy sector</i> .	4. Where it is necessary to achieve the objectives of a given project of common interest, third countries and entities established in third countries may participate in actions contributing to the projects of common interest.	<u>Agreed text:</u> 4. Where ¶ necessary to achieve the objectives of a given project of common interest <u>and where duly motivated</u> , third countries and entities established in third countries may participate in actions contributing to the projects of common interest.

COMMISSION PROPOSAL ST 16176/4/11 REV 4	EP AMENDMENTS (FIRST READING)	COUNCIL'S PROGRESS REPORT ST 17107/12	COMMENTS ¹
AM 83 Article 9 paragraph 4 subparagraph 2			
<p>They may not receive funding under this Regulation, except where it is indispensable to achieve the objectives of a given project of common interest.</p>	<p>They may not receive funding <i>in the form of grants</i> under this Regulation, except where it is indispensable to achieve the objectives of a given project of common interest <i>and following verification that it is not possible for the action to be supported by other forms of financial aid under the Connecting Europe Facility or under other Union programmes. With particular reference to Motorways of the Sea projects, the Commission shall create conditions conducive to the development of such projects with third countries in the enlargement area.</i></p>	<p>They may not receive funding under this Regulation, except where it is indispensable to achieve the objectives of a given project of common interest.</p>	<p><u>Presidency compromise proposal:</u> They may not receive funding under this Regulation, except where it is indispensable to achieve the objectives of a given project of common interest.</p> <p>This text could be included in a recital: <u>"When third countries and entities established in third countries participate in actions contributing to projects of common interest, grants may be available only following a verification that it is not possible for the action to be supported by other forms of financial aid under the Connecting Europe Facility or under other Union programmes.</u></p> <p><u>This text could be included in Article XX:</u> <u>The Commission shall create conditions conducive to the development of projects involving Motorways of the Sea with third</u></p>

COMMISSION PROPOSAL ST 16176/4/11 REV 4	EP AMENDMENTS (FIRST READING)	COUNCIL'S PROGRESS REPORT ST 17107/12	COMMENTS ¹
			<u>countries.</u>
AM 84 Article 9 paragraph 4 subparagraph 3			
<p>When it is necessary to implement more effectively relevant actions contributing to projects of common interest in third countries according to Regulations (EU) No XXX/2012 [TEN-T Guidelines], (EU) No XXX/2012 [Guidelines for trans-European energy infrastructure] and (EU) XXX/2012 [INFSO Guidelines], funding under this Regulation may be pooled together with funding covered by other relevant Union regulations. In such a case the Commission may decide, through an implementing act, on a single set of rules that should apply for implementation.</p>	<i>deleted</i>	<p>Where necessary in order to implement more effectively relevant actions contributing to projects of common interest in third countries under Regulations (EU) No XXXX/2012 [TEN-T Guidelines], (EU) No XXXX/2012 [Guidelines for trans-European energy infrastructure] and (EU) No XXXX/2012 [INFSO Guidelines], funding under this Regulation may be pooled together with funding covered by other relevant Union regulations. In such a case the Commission may decide, through an implementing act adopted in accordance with the examination procedure referred to in Article 24(2), on a single set of rules that should apply for implementation.</p>	<u>EP amendment not acceptable</u>

COMMISSION PROPOSAL ST 16176/4/11 REV 4	EP AMENDMENTS (FIRST READING)	COUNCIL'S PROGRESS REPORT ST 17107/12	COMMENTS ¹
5. The agreement of Member States concerned by the action shall accompany all proposals for grants except in the field of telecommunications and in the field of transport for air traffic management.		5. [...]	<u>Agreed text:</u> 5. [...]
AM 85 Article 9 paragraph 6			
6. Multiannual and annual Work Programmes may provide additional specific rules on submissions of proposals.	6. Multiannual and annual <i>work programmes referred to in Article 17</i> , may provide additional specific rules on submissions of proposals.		<u>Agreed text:</u> 6. Multiannual and annual work programmes <u>referred to in Article 17</u> may provide additional specific rules on the submission of proposals.
Article 10 Funding rates		Article 10 Funding rates	Article 10 Funding rates
1. Except in cases referred to in Article XXX of Regulation (EU) No XXXX/2012 [New Financial Regulation], proposals shall be selected through calls for proposals based on the work programmes referred to in Article 17.		1. Except in those cases referred to in Regulation (EU) No XXXX/2012 [New Financial Regulation], proposals shall be selected through calls for proposals based on the work programmes referred to in Article 17.	<u>Agreed text:</u> 1. Except in those cases referred to in Regulation (EU) No XXXX/2012 [New Financial Regulation], proposals shall be selected through calls for proposals based on the work programmes referred to in Article 17.
2. In the field of transport:		2. In the transport sector, the amount of Union financial aid shall not exceed:	<u>Agreed text:</u> 2. In the transport sector, the amount of Union financial aid shall not exceed:

COMMISSION PROPOSAL ST 16176/4/11 REV 4	EP AMENDMENTS (FIRST READING)	COUNCIL'S PROGRESS REPORT ST 17107/12	COMMENTS ¹
(a) with regard to grants for studies, the amount of Union financial aid shall not exceed 50% of the eligible costs;		(a) with regard to grants for studies, 50 % of the eligible costs;	<u>Agreed text:</u> (a) with regard to grants for studies, 50 % of the eligible costs;
AM 86 Article 10 paragraph 2 point b			
(b) with regard to grants for works:	(b) with regard to grants for works:	(b) with regard to grants for works:	<u>Agreed text:</u> (b) with regard to grants for works:
(i) rail and inland waterways: the amount of Union financial aid shall not exceed 20% of the eligible cost; the funding rate may be increased to 30% for actions addressing bottlenecks; the funding rate may be increased to 40% for actions concerning cross-border sections;	(i) <i>for rail and road networks in the case of Member States with no railway network established in their territory or in the case of a Member State with an isolated network as defined in point (qq) of Article 3 of Regulation (EU) No XXXX/2012 [TEN-T Guidelines] without long distance rail freight transport:</i> the amount of Union financial aid shall not exceed 20% of the eligible cost; the funding rate may be increased to 30% for actions addressing bottlenecks; the funding rate may be increased to 40% for actions concerning cross-border sections <i>and for actions enhancing rail interoperability;</i>	(i) for rail and inland waterways and for road networks in the case of Member States with no railway network established in their territory or in the case of a Member State with an isolated network as defined in Article 3(qq) of Regulation (EU) No XXXX/2012 [TEN-T guidelines] without long distance rail freight transport, 20 % of the eligible cost; the funding rate may be increased up to 30 % for actions addressing bottlenecks; the funding rate may be increased up to 40 % for actions concerning cross-border sections and enhancing rail interoperability actions;	<u>Agreed text:</u> (i) for rail and inland waterways and for road networks in the case of Member States with no railway network established in their territory or in the case of a Member State, <u>or part thereof</u> , with an isolated network as defined in Article 3(qq) of Regulation (EU) No XXXX/2012 [TEN-T Guidelines] without long distance rail freight transport: 20% of the eligible cost; the funding rate may be increased up to 30% for actions addressing bottlenecks; the funding rate may be increased up to 40% for actions concerning cross-border sections and <u>for actions</u> enhancing rail interoperability actions ;

COMMISSION PROPOSAL ST 16176/4/11 REV 4	EP AMENDMENTS (FIRST READING)	COUNCIL'S PROGRESS REPORT ST 17107/12	COMMENTS ¹
	<i>(ia) for inland waterways : the amount of Union financial aid shall not exceed 30% of the eligible cost; the funding rate may be increased to 40% for actions addressing bottlenecks and for actions concerning cross-border sections;</i>		Agreed text: <u>(ia) for inland waterways : 20% of the eligible cost; the funding rate may be increased to 40% for actions addressing bottlenecks and to 40% for actions concerning cross-border sections;</u>
(ii) inland transport connections to ports and airports, actions to reduce rail freight noise by retrofitting of existing rolling stock, as well as development of ports and multi-modal platforms: the amount of Union financial aid shall not exceed 20% of the eligible cost.	(ii) inland transport connections to <i>inland and maritime</i> ports and airports, as well as development of ports and multi-modal platforms: the amount of Union financial aid shall not exceed 20% of the eligible cost;	(ii) for inland transport connections to ports and airports, actions to reduce rail noise including by retrofitting existing rolling stock, as well as development of ports and multi-modal platforms, 20 % of the eligible cost;	Agreed text: (ii) for inland transport, <u>connections to and development of multimodal logistics platforms including</u> connections to <u>inland and maritime</u> ports and airports, actions to reduce rail noise including by retrofitting existing rolling stock, as well as development of ports and multi-modal platforms; 20 % of the eligible cost;

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	<i>(iia) actions to reduce rail freight noise by retrofitting of existing rolling stock: the amount of Union financial aid shall not exceed 20% of the eligible cost up to a combined ceiling of 1% of the budgetary resources referred to in point (a) of Article 5(1);</i>		Agreed text: <u>(iia) actions to reduce rail freight noise including by retrofitting of existing rolling stock: 20% of the eligible cost [up to a combined ceiling of 1% of the budgetary resources referred to in point (a) of Article 5(1)];</u>
	<i>(iib) better accessibility to transport (infrastructure and services) for disabled persons: the amount of Union financial aid shall not exceed 30% of the eligible cost of adaptation works, which shall not exceed in any case 10% of the total eligible cost of works.</i>		Agreed text: <u>(iib) better accessibility to transport infrastructure for disabled persons: 30% of the eligible cost of adaptation works, which shall not exceed in any case 10% of the total eligible cost of works.</u>
		(iii) for actions supporting new technologies and innovation for all modes of transport, 20 % of the eligible cost;	Agreed text: (iii) for actions supporting new technologies and innovation for all modes of transport, 20 % of the eligible cost;
		(iv) for actions to support cross-border road sections, 10 % of the eligible cost;	Agreed text: (iv) for actions to support cross-border road sections, 10 % of the eligible cost;

COMMISSION PROPOSAL ST 16176/4/11 REV 4	EP AMENDMENTS (FIRST READING)	COUNCIL'S PROGRESS REPORT ST 17107/12	COMMENTS ¹
AM 87 Article 10 paragraph 2 points c and c a (new)			
(c) with regard to grants for traffic management systems and services:	(c) with regard to grants for traffic management systems and services:	(c) with regard to grants for telematic applications systems and services:	<u>Agreed text:</u> (c) with regard to grants for telematic applications systems and services:
(i) the European Rail Traffic Management System (ERTMS): the amount of Union financial aid shall not exceed 50% of the eligible cost;	(i) the European Rail Traffic Management System (ERTMS), <i>River Information Services (RIS), Vessel Traffic Monitoring and Information Systems (VTMIS), SESAR and road traffic management systems (ITS): for land-based components</i> the amount of Union financial aid shall not exceed 50% of the eligible cost; <i>for onboard equipment the amount of Union financial aid shall not exceed 40% of the eligible cost for ERTMS and 20% of the eligible cost for RIS, VTMIS, SESAR and ITS for the road sector up to a combined ceiling of 5% of the budgetary resources referred to in point (a) of Article 5(1);</i>	(i) for the European Rail Traffic Management System (ERTMS), the River Information Services (RIS) and the Vessel Traffic Monitoring and Information System (VTMIS), 50 % of the eligible cost;	<u>Agreed text:</u> (i) for <u>land-based components of the European Rail Traffic Management System (ERTMS), of SESAR, of the River Information Services (RIS) and of the Vessel Traffic Monitoring and Information System (VTMIS), 50% of the eligible cost;</u> ii) <u>for land-based components of Intelligent Transport System (ITS) for the road sector, 20% of the eligible cost;</u> <u>(iii) for on-board components of ERTMS, 50% of the eligible cost;</u> <u>(iv) for on-board components of SESAR, of RIS, of VTMIS and of ITS for the road sector, 20% of the eligible cost, up to a combined ceiling of 5% of the budgetary resources referred to in point (a) of Article 5(1)</u>

COMMISSION PROPOSAL ST 16176/4/11 REV 4	EP AMENDMENTS (FIRST READING)	COUNCIL'S PROGRESS REPORT ST 17107/12	COMMENTS ¹
(ii) traffic management systems, freight transport services, secure parkings on the road core network, as well as actions to support the development of Motorways of the Seas: the amount of Union financial aid shall not exceed 20% of the eligible cost.	(ii) freight <i>and combined</i> transport services <i>and</i> secure <i>parking areas</i> on the road core network: the amount of Union financial aid shall not exceed 20% of the eligible cost;	(ii) for actions to support the development of Motorways of the Seas, 30% of the eligible cost;	<u>Agreed text:</u> (ii) for actions to support the development of Motorways of the Sea, 30% of the eligible cost;
	<i>(iia) actions to support the development of Motorways of the Sea: the amount of Union financial aid shall not exceed 30% of the eligible cost;</i>		<u>Agreed text:</u> (...)
		(iii) for telematic applications systems, freight transport services, secure parkings on the road core network, 20 % of the eligible cost.	<u>Agreed text:</u> (iii) for telematic applications systems <u>other than those mentioned in points (i) to (iv) above,</u> freight transport services, secure parkings on the road core network, 20 % of the eligible cost.
	<i>(ca) with regard to grants for actions supporting new technologies and innovation for all modes of transport: the amount of Union financial aid shall not exceed 20% of the eligible cost.</i>		<u>Agreed text:</u> <u>(ca) with regard to grants for actions supporting new technologies and innovation for all modes of transport: the amount of Union financial aid shall not exceed 20% of the eligible cost.</u>

COMMISSION PROPOSAL ST 16176/4/11 REV 4	EP AMENDMENTS (FIRST READING)	COUNCIL'S PROGRESS REPORT ST 17107/12	COMMENTS ¹
3. In the field of energy:		3. In the energy sector:	
AM 88			
Article 10 paragraphs 3 point a and b			
(a) the amount of Union financial aid shall not exceed 50% of the eligible cost of studies and/or works;	(a) the amount of Union financial aid shall not exceed 50% of the eligible cost of studies and 40% of the eligible cost of works ;	(a) the amount of Union financial aid shall not exceed 50 % of the eligible cost of studies and/or works;	<u>EP amendment not acceptable</u>
(b) co-financing rates may be increased to a maximum of 80% for actions which based on the evidence referred to in Article 15(2) (a) of Regulation (EU) No XXXX/2012 [Guidelines for trans-European energy infrastructure], provide a high degree of regional or Union-wide security of supply, or strengthen solidarity of the Union or comprise highly innovative solutions.	(b) co-financing rates may be increased to a maximum of 70% for actions which, based on the evidence referred to in Article 7 , provide a high degree of regional or Union-wide security of supply or strengthen solidarity of the Union and/or contribute to sustainable development and protection of the environment, in particular smart grids .	(b) co-financing rates may be increased to a maximum of 75 % for actions which are based on the evidence referred to in Article 15(2) of Regulation (EU) No XXXX/2012 [Guidelines for trans-European energy infrastructure], and which provide a high degree of regional or Union-wide security of supply, or strengthen the solidarity of the Union or comprise highly innovative solutions.	70%: <u>EP amendment not acceptable</u> rest of the AM: <u>EP amendment not acceptable</u> (already agreed in TEN-E Guidelines)

COMMISSION PROPOSAL ST 16176/4/11 REV 4	EP AMENDMENTS (FIRST READING)	COUNCIL'S PROGRESS REPORT ST 17107/12	COMMENTS ¹
4. In the field of telecommunications:		4. In the telecommunications sector, the amount of Union financial aid shall not exceed:	INFSO Guidelines on hold - to be discussed later
AM 89 Article 10 paragraph 4 point a			
(a) actions in the field of broadband networks: the amount of Union financial aid shall not exceed 50% of the eligible cost;	(a) actions in the field of broadband networks: the amount of Union financial aid shall not exceed 40% of the eligible cost;	(a) for actions in the field of broadband networks, 50 % of the eligible cost;	INFSO Guidelines on hold - to be discussed later
(b) actions in the field of generic services: the amount of Union financial aid shall not exceed 75% of the eligible costs;		(b) for actions in the field of generic services, 75 % of the eligible costs;	INFSO Guidelines on hold - to be discussed later
(c) core service platforms shall be typically funded by procurement. In exceptional cases, they may be funded by a grant covering up to 100% of eligible costs, without prejudice to the co-financing principle;		(c) [...]	INFSO Guidelines on hold - to be discussed later
(d) programme support actions including infrastructure mapping, twinning and technical assistance: the amount of Union financial aid shall not exceed 75% of the eligible costs.		(d) for horizontal priorities including infrastructure mapping, twinning and technical assistance, 75 % of the eligible costs.	INFSO Guidelines on hold - to be discussed later

COMMISSION PROPOSAL ST 16176/4/11 REV 4	EP AMENDMENTS (FIRST READING)	COUNCIL'S PROGRESS REPORT ST 17107/12	COMMENTS ¹
		4a. In the telecommunications sector, core service platforms shall typically be funded by procurement. In exceptional cases, they may be funded by a grant covering up to 75 % of eligible costs and up to 100% for the platform providing a single access point to European cultural heritage.	INFSO Guidelines on hold - to be discussed later
AM 90 Article 10 paragraph 5			
5. Co-financing rates mentioned above may be increased by up to 10 percentage points for actions having cross-sector synergies, reaching climate mitigation objectives, enhancing climate resilience or reducing the greenhouse gas emissions. This increase should not apply to co-financing rates referred to in Article 11.	5. Co-financing rates may be increased by up to 10 percentage points <i>over the percentages laid down in paragraphs 2. 3 and 4 for actions with synergies between at least two of the sectors covered by the Connecting Europe Facility</i> This increase should not apply to co-financing rates referred to in Article 11.	5. The co-financing rates mentioned above may be increased by up to 10 percentage points for actions having cross-sector synergies, reaching climate mitigation objectives, enhancing climate resilience or reducing the greenhouse gas emissions. ¶This increase should not apply to co-financing rates referred to in Article 11¶.	<u>Presidency compromise proposal:</u> 5. Co-financing rates may be increased by up to 10 percentage points <u>over the percentages laid down in paragraphs 2. 3 and 4 for actions with synergies between at least two of the sectors covered by the Connecting Europe Facility.</u> This increase should not apply to co-financing rates referred to in Article 11.

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	<i>For these actions, the Union financial aid shall be drawn from the sectoral budgets provided for in Article 5(1), and weighted in accordance with their relative involvement in the action.</i>		<u>Presidency compromise proposal:</u> <u>AM included in revised Article 17(7)</u>
	<i>The Commission shall propose in the annual and multiannual programmes referred to in Article 17 the criteria for the granting of the co-financing rates laid down in this Article. For that purpose, it shall develop a methodology for the assessment of those criteria.</i>		<u>Presidency compromise proposal:</u> <u>Amendment to be examined as part of the discussions on Article 17(6) (AM 105)</u>
AM 91 Article 10 paragraph 6			
6. The amount of financial aid to be granted to the actions selected will be modulated based on a cost-benefit analysis of each project, availability of budget resources, and the need to maximise the leverage of EU funding.	6. The amount of financial aid to be granted to the actions selected <i>may</i> be modulated based on a cost-benefit analysis of each project, availability of budget resources, and the need to maximise the leverage of EU funding.	6. The amount of financial aid to be granted to the actions selected will be modulated based on a cost-benefit analysis of each project ⁵⁴ , the availability of Union budget resources, and the need to maximise the leverage of Union funding.	<u>Agreed text:</u> 6. The amount of financial assistance aid to be granted to the actions selected will shall be modulated based on a cost-benefit analysis of each project ⁵⁵ , the availability of Union budget resources, and the need to maximise the leverage of Union funding.

⁵⁴ To be elaborated in a recital that an *ex ante* assessment of market imperfections has to be included in the cost-benefit analysis of each project.

⁵⁵ To be elaborated in a recital that an *ex ante* assessment of market imperfections has to be included in the cost-benefit analysis of each project.

COMMISSION PROPOSAL ST 16176/4/11 REV 4	EP AMENDMENTS (FIRST READING)	COUNCIL'S PROGRESS REPORT ST 17107/12	COMMENTS ¹
Article 11 Specific calls for funds transferred from the Cohesion Fund in the field of transport sector		{Article 11 Specific calls for funds transferred from the Cohesion Fund in the field of transport sector}	Article 11 Specific calls for funds transferred from the Cohesion Fund in the field of transport sector
AM 92 Article 11 paragraphs 1, 2 and 2a (new)			
1. As regards the EUR 10 000 000 000 transferred from the Cohesion Fund [Regulation XXX Article XX] to be spent in Member States eligible for funding from the Cohesion Fund, specific calls shall be launched for projects implementing the core network exclusively in Member States eligible for funding from the Cohesion Fund.	1. As regards the EUR 10 000 000 000 transferred from the Cohesion Fund [Regulation XXX Article XX] to be spent <i>exclusively</i> in Member States eligible for funding from the Cohesion Fund, specific calls shall be launched for projects implementing the core network <i>(and in particular the core network corridors) or related to horizontal priorities</i> exclusively in Member States eligible for funding from the Cohesion Fund.	{1. As regards the EUR 10 000 000 000 transferred from the Cohesion Fund [Regulation XXXX Article XX] to be spent in Member States eligible for funding from the Cohesion Fund, specific calls shall be launched for projects implementing the core network exclusively in Member States eligible for funding from the Cohesion Fund.	<u>Presidency compromise proposal:</u> 1. As regards the EUR 10 000 000 000 transferred from the Cohesion Fund [Regulation XXXX Article XX] to be spent exclusively in Member States eligible for funding from the Cohesion Fund, specific calls shall be launched for projects implementing the core network or for project and horizontal priorities identified in Part I of the Annex to this Regulation exclusively in Member States eligible for funding from the Cohesion Fund.

COMMISSION PROPOSAL ST 16176/4/11 REV 4	EP AMENDMENTS (FIRST READING)	COUNCIL'S PROGRESS REPORT ST 17107/12	COMMENTS ¹
<p>2. Applicable rules for the transport sector under this Regulation shall apply to these specific calls. When implementing these calls, greatest possible priority shall be given to projects respecting the national allocations under the Cohesion Fund.</p>	<p>2. Applicable rules for the transport sector under this Regulation shall apply to these specific calls. <i>Until 31 December 2016, the selection of projects eligible for financing shall respect</i> the national allocations under the Cohesion Fund. <i>As of 1 January 2017, resources transferred to the Connecting Europe Facility which have not been committed to a transport infrastructure project shall be made available to all Member States eligible for funding from the Cohesion Fund to finance transport infrastructure projects in accordance with this Regulation.</i></p>	<p>2. The relevant provisions of this Regulation concerning the transport sector shall apply to those specific calls. When implementing those calls, the greatest possible priority shall be given to projects which abide by the national allocations under the Cohesion Fund.}]</p>	<p><u>Agreed text:</u> 2. <u>The relevant provisions of Applicable rules for the transport sector under this Regulation concerning the transport sector shall apply to these specific calls. When implementing those calls, the greatest possible priority shall be given to projects which abide by Until 31 December 2016, the selection of projects eligible for financing shall respect the national allocations under the Cohesion Fund. As of 1 January 2017, resources transferred to the Connecting Europe Facility which have not been committed to a transport infrastructure project shall be made available to all Member States eligible for funding from the Cohesion Fund to finance transport infrastructure projects in accordance with this Regulation.</u></p>

COMMISSION PROPOSAL ST 16176/4/11 REV 4	EP AMENDMENTS (FIRST READING)	COUNCIL'S PROGRESS REPORT ST 17107/12	COMMENTS ¹
	<p><i>2a. In order to support Member States eligible for funding from the Cohesion Fund which may experience difficulties in designing projects that are of sufficient maturity and/or quality and which have sufficient added value for the Union, particular attention shall be given to programme support actions under the Connecting Europe Facility aimed at strengthening institutional capacity and the efficiency of public administrations and public services in relation to the development and implementation of projects listed in Annex 1 to this Regulation. To ensure the highest possible absorption of the transferred funds in all Member States eligible for funding from the Cohesion Fund, the Commission may organise additional calls.</i></p>		<p>Agreed text: <u>2a. In order to support Member States eligible for funding from the Cohesion Fund which may experience difficulties in designing projects that are of sufficient maturity and/or quality and which have sufficient added value for the Union, particular attention shall be given to programme support actions under the Connecting Europe Facility aimed at strengthening institutional capacity and the efficiency of public administrations and public services in relation to the development and implementation of projects listed in Annex 1 to this Regulation. To ensure the highest possible absorption of the transferred funds in all Member States eligible for funding from the Cohesion Fund, the Commission may organise additional calls.</u></p>

COMMISSION PROPOSAL ST 16176/4/11 REV 4	EP AMENDMENTS (FIRST READING)	COUNCIL'S PROGRESS REPORT ST 17107/12	COMMENTS ¹
			<p>Agreed text: <u>2b. The EUR 10 000 000 000 transferred from the Cohesion Fund (Regulation XXX Article XX) may be used to commit budgetary resources to financial instruments under this Regulation only after 31 December 2016. From 1 January 2017, the EUR 10 000 000 000 transferred from the Cohesion Fund (Regulation XXX, Article XX) may be used to commit budgetary resources to projects for which contractual commitments have already been signed by the entrusted entities.</u></p>

COMMISSION PROPOSAL ST 16176/4/11 REV 4	EP AMENDMENTS (FIRST READING)	COUNCIL'S PROGRESS REPORT ST 17107/12	COMMENTS ¹
AM 93 Article 11 paragraph 3			
<p>3. By the way of derogation from Article 10, and as regards the EUR 10 000 000 000 transferred from the Cohesion Fund [Regulation XXX Article XX] to be spent in Member States eligible for funding from the Cohesion Fund, the maximum funding rates shall be those applicable to the Cohesion Fund referred to in Article 22 and Article 110(3) of Regulation (EU) No XXX/2012 [Regulation laying down common provisions on the European Regional Development Fund, the European Social Fund, the Cohesion Fund, the European Agricultural Fund for Rural Development and the European Maritime and Fisheries Fund covered by the Common Strategic Framework and laying down general provisions on the European Regional Development Fund, the European Social Fund and the Cohesion Fund and repealing Regulation (EC) No 1083/2006]⁵⁶</p>	<p>3. By the way of derogation from Article 10, and as regards the EUR 10 000 000 000 transferred from the Cohesion Fund [Regulation XXX Article XX] to be spent <i>exclusively</i> in Member States eligible for funding from the Cohesion Fund, the maximum funding rates shall be those applicable to the Cohesion Fund referred to in Article 22 and Article 110(3) of Regulation (EU) No XXX/2012 [Regulation laying down common provisions on the European Regional Development Fund, the European Social Fund, the Cohesion Fund, the European Agricultural Fund for Rural Development and the European Maritime and Fisheries Fund covered by the Common Strategic Framework and laying down general provisions on the European Regional Development Fund, the European Social Fund and the Cohesion Fund and repealing Regulation (EC) No 1083/2006] for</p>	<p>3. Notwithstanding Article 10, and as regards the {EUR 10 000 000 000} transferred from the Cohesion Fund [Regulation XXXX Article XX] to be spent in Member States eligible for funding from the Cohesion Fund, the maximum funding rates shall be those applicable to the Cohesion Fund referred to in Article 22 and Article 110(3) of Regulation (EU) No XXXX/2012 [Regulation laying down common provisions on the European Regional Development Fund, the European Social Fund, the Cohesion Fund, the European Agricultural Fund for Rural Development and the European Maritime and Fisheries Fund covered by the Common Strategic Framework and laying down general provisions on the European Regional Development Fund, the European Social Fund and the Cohesion Fund and repealing</p>	<p><u>Agreed text:</u> 3. Notwithstanding Article 10, and as regards the {EUR 10 000 000 000} transferred from the Cohesion Fund [Regulation XXXX Article XX] to be spent <u>exclusively</u> in Member States eligible for funding from the Cohesion Fund, the maximum funding rates shall be those applicable to the Cohesion Fund referred to in Article 22 and Article 110(3) of Regulation (EU) No XXXX/2012 [Regulation laying down common provisions on the European Regional Development Fund, the European Social Fund, the Cohesion Fund, the European Agricultural Fund for Rural Development and the European Maritime and Fisheries Fund covered by the Common Strategic Framework and laying down general provisions on the European Regional Development Fund, the European Social Fund and the</p>

⁵⁶ COM(2011) 615 final.

COMMISSION PROPOSAL ST 16176/4/11 REV 4	EP AMENDMENTS (FIRST READING)	COUNCIL'S PROGRESS REPORT ST 17107/12	COMMENTS ¹
for the following actions:	the following actions:	Regulation (EC) No 1083/2006] ⁵⁷ for the following actions:	Cohesion Fund and repealing Regulation (EC) No 1083/2006] ⁵⁸ for the following actions:
(a) with regard to grants for studies;	(a) with regard to grants for studies;	(a) with regard to grants for studies;	(a) with regard to grants for studies;
(b) with regard to grants for works:	(b) with regard to grants for works:	(b) with regard to grants for works:	(b) with regard to grants for works:
(i) rail and inland waterways;	(i) rail and inland waterways;	(i) rail and inland waterways;	(i) rail and inland waterways;
(ii) actions to support cross- border road sections;	(ii) actions to support cross-border road sections <i>and, in the case of Member States with no rail networks, the TEN-T road network</i> ;	(ii) actions to support cross- border road sections and, in the case of Member States with no rail networks, the TEN-T road network;	(ii) actions to support cross- border road sections and, in the case of Member States with no rail networks, the TEN-T road network;

⁵⁷ COM(2011) 615 final.

⁵⁸ COM(2011) 615 final.

COMMISSION PROPOSAL ST 16176/4/11 REV 4	EP AMENDMENTS (FIRST READING)	COUNCIL'S PROGRESS REPORT ST 17107/12	COMMENTS ¹
(iii) inland transport connections to ports and airports, development of multi-modal platforms and of ports;	(iii) inland transport connections to <i>maritime and inland</i> ports and airports, development of multi-modal platforms <i>including automatic gauge-changing facilities</i> , and of ports, <i>as well as interconnecting points, with priority being given to rail connections</i> ;	(iii) inland transport connections to ports and airports, development of multi-modal platforms and of ports including ice-breaking capacities;	<u>Agreed text:</u> (iii) for inland transport, connections to and development of multimodal logistics platforms including connections to and development of inland and maritime ports and airports, development of multi-modal platforms including automatic gauge-changing facilities , and development of ports including ice-breaking capacities, as well as interconnecting points, with particular attention being given to rail connections, except for Member States with no rail network ;
(c) with regard to grants for traffic management systems and services:	(c) with regard to grants for traffic management systems and services:	(c) with regard to grants for telematic applications systems and services:	<u>Agreed text:</u> (c) with regard to grants for telematic applications systems and services:
(i) the European Rail Traffic Management System (ERTMS);	(i) the European Rail Traffic Management System (ERTMS), <i>the River Information Services (RIS), the Vessel Traffic Monitoring and Information systems (VTMIS), SESAR and ITS for the road sector</i> ;	(i) the European Rail Traffic Management System (ERTMS), the River Information Services (RIS) and the Vessel Traffic Monitoring and Information System (VTMIS);	<u>Agreed text:</u> (i) the European Rail Traffic Management System (ERTMS), the River Information Services (RIS) and the Vessel Traffic Monitoring and Information System (VTMIS), SESAR and ITS for the road sector ;

COMMISSION PROPOSAL ST 16176/4/11 REV 4	EP AMENDMENTS (FIRST READING)	COUNCIL'S PROGRESS REPORT ST 17107/12	COMMENTS ¹
(ii) traffic management systems.		(ii) telematic applications systems.	<u>Agreed text:</u> (ii) telematic applications systems.
	<i>(iia) actions to support the development of motorways of the sea;</i>		<u>Agreed text:</u> <u>(iia) actions to support the development of motorways of the sea;</u>
	<i>(ca) with regard to grants for actions supporting new technologies and innovation for all modes of transport.</i>		<u>Agreed text:</u> <u>(ca) with regard to grants for actions supporting new technologies and innovation for all modes of transport.</u>
Article 12 Cancellation, reduction, suspension and termination of the grant		Article 12 Cancellation, reduction, suspension and termination of the grant	Article 12 Cancellation, reduction, suspension and termination of the grant
AM 94 Article 12			
1. The Commission shall cancel, except in duly justified cases, financial aid granted for actions which have not been started within one year following the start date of the action established in the conditions governing the granting of aid.	1. The Commission shall cancel, except in duly justified cases, financial aid granted for <i>studies</i> which have not been started within one year following the start date established in the conditions governing the granting of aid <i>or within two years of that date for all other actions eligible for financial aid under this Regulation.</i>	1. The Commission shall cancel, except in duly justified cases, financial aid granted for actions which have not been started within two years following the start date of the action established in the conditions governing the granting of aid.	<u>EP amendment not acceptable</u>

COMMISSION PROPOSAL ST 16176/4/11 REV 4	EP AMENDMENTS (FIRST READING)	COUNCIL'S PROGRESS REPORT ST 17107/12	COMMENTS ¹
2. The Commission may suspend, reduce, recover or terminate the financial aid according to the conditions set out in Regulation (EU) No XXX/2012 [New Financial Regulation] notably:	2. The Commission may suspend, reduce, recover or terminate the financial aid according to the conditions set out in Regulation (EU, Euratom) No 966/2012 notably:	2. The Commission may suspend, reduce, recover or terminate the financial aid according to the conditions set out in Regulation (EU) No XXXX/2012 [New Financial Regulation] or following an evaluation of the progress of the project, in particular in the event of major delays in the implementation of the action.	<u>Agreed text:</u> 2. The Commission may suspend, reduce, recover or terminate the financial aid according to the conditions set out in Regulation (EU) No XXXX/2012 [New Financial Regulation] or following an evaluation of the progress of the project, in particular in the event of major delays in the implementation of the action.
(a) in the event of an irregularity committed in the implementation of the action with regard to the provisions of Union law;	(a) in the event of an irregularity committed in the implementation of the action with regard to the provisions of Union law;		<u>Agreed text:</u> (...)
(b) in the event of failure to comply with the conditions governing the grant, in particular if a major change affecting the nature of a project or action has been made without the approval of the Commission;	(b) in the event of failure to comply with the conditions governing the grant, in particular if a major change affecting the nature of a project or action has been made without the approval of the Commission;		<u>Agreed text:</u> (...)

COMMISSION PROPOSAL ST 16176/4/11 REV 4	EP AMENDMENTS (FIRST READING)	COUNCIL'S PROGRESS REPORT ST 17107/12	COMMENTS ¹
(c) following an evaluation of the progress of the project, in particular in the event of major delays in the implementation of the action.	(c) following an evaluation of the progress of the project, in particular in the event of major delays in the implementation of the action.		<u>Agreed text:</u> (...)
3. The Commission may request the reimbursement of the financial aid granted if, within two years of the finishing date established in the conditions governing the granting of aid, the implementation of the action receiving the financial aid has not been completed.	3. The Commission may request the reimbursement of the financial aid granted if, within two years of the finishing date established in the conditions governing the granting of aid, the implementation of the action receiving the financial aid has not been completed, <i>except in cases of duly established force majeure.</i>	3. The Commission may request the complete or partial reimbursement of the financial aid granted if, within two years of the finishing date established in the conditions governing the granting of aid, the implementation of the action receiving the financial aid has not been completed.	<u>Agreed text:</u> 3. The Commission may request the complete or partial reimbursement of the financial aid granted if, within two years of the finishing date established in the conditions governing the granting of aid, the implementation of the action receiving the financial aid has not been completed.

COMMISSION PROPOSAL ST 16176/4/11 REV 4	EP AMENDMENTS (FIRST READING)	COUNCIL'S PROGRESS REPORT ST 17107/12	COMMENTS ¹
<p>4. Before the Commission takes any of the decisions provided for in paragraphs 1, 2 and 3, it shall examine the case at hand and inform the beneficiaries concerned so that they may present their observations within a given timeframe.</p>	<p>4. Before the Commission takes any of the decisions provided for in paragraphs 1, 2 and 3, it shall examine the case at hand and inform the beneficiaries concerned so that they may present their observations within a given timeframe. <i>It shall notify the European Parliament and the Council of all decisions taken on the annual adoption of the work programmes under Article 17.</i></p>	<p>4. Before the Commission takes any of the decisions provided for in paragraphs 1, 2 and 3, it shall examine the case comprehensively in coordination with the respective bodies mentioned in Article 6(2) and consult the beneficiaries concerned so that they may present their observations within a reasonable timeframe.</p>	<p><u>Agreed text:</u> 4. Before the Commission takes any of the decisions provided for in paragraphs 1, 2 and 3, it shall examine the case comprehensively in coordination with the respective bodies mentioned in Article 6(2) and consult the beneficiaries concerned so that they may present their observations within a reasonable timeframe. <u>After the mid-term review, the Commission shall notify the European Parliament and the Council of all decisions taken on the annual adoption of the work programmes under Article 17.</u></p>

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CHAPTER IV		CHAPTER IV	CHAPTER IV
PROCUREMENT		PROCUREMENT	PROCUREMENT
Article 13 Procurement		Article 13 Procurement ⁵⁹	Article 13 Procurement ⁶⁰
1. Public procurement procedures carried out by the Commission or one of the bodies referred to in Article 6(2) on its own behalf or jointly with Member States:		1. Public procurement procedures carried out by the Commission or one of the bodies referred to in Article 6(2) on its own behalf or jointly with Member States:	<u>Agreed text:</u> 1. Public procurement procedures carried out by the Commission or one of the bodies referred to in Article 6(2) on its own behalf or jointly with Member States:
AM 95 Article 13 paragraph 1 point a			
(a) may provide for specific conditions such as the place of performance of the procured activities, where duly justified by the objectives of the actions and provided such conditions do not infringe public procurement principles;	(a) may provide for specific conditions such as the place of performance of the procured activities, where duly justified by the objectives of the actions and provided such conditions do not infringe <i>the Union's</i> public procurement principles;	(a) may provide for specific conditions such as the place of performance of the procured activities, where duly justified by the objectives of the actions and provided such conditions do not infringe public procurement principles;	<u>Agreed text:</u> (a) may provide for specific conditions such as the place of performance of the procured activities, where duly justified by the objectives of the actions and provided such conditions do not infringe the Union and national public procurement principles;
(b) may authorise multiple award of contracts within the same procedure ("multiple sourcing").		(b) may authorise multiple award of contracts within the same procedure ("multiple sourcing").	<u>Agreed text:</u> (b) may authorise multiple award of contracts within the same procedure ("multiple sourcing").

⁵⁹ The inclusion of environmental criteria in public procurement procedures will be elaborated in a recital.

⁶⁰ The inclusion of environmental criteria in public procurement procedures will be elaborated in a recital.

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(c) Where duly justified and required by the implementation of the actions, paragraph 1 may also apply to procurement procedures carried out by beneficiaries of grants.		2. Where duly justified and required by the implementation of the actions, paragraph 1 may also apply to procurement procedures carried out by beneficiaries of grants.	<u>Agreed text:</u> 2. Where duly justified and required by the implementation of the actions, paragraph 1 may also apply to procurement procedures carried out by beneficiaries of grants.

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CHAPTER V		CHAPTER V	CHAPTER V
FINANCIAL INSTRUMENTS		FINANCIAL INSTRUMENTS	FINANCIAL INSTRUMENTS
Article 14 Type of financial instruments		Article 14 Type of financial instruments	Article 14 Type of financial instruments
AM 96 Article 14 paragraph 1			
<p>1. Financial instruments set up in accordance with Title VIII of Regulation (EC) No XXXX/2012 [New Financial Regulation 2012], may be used to facilitate access to finance by entities implementing actions contributing to projects of common interest as defined in Regulations (EU) No XXXX/2012 [TEN-T Guidelines], (EU) No XXX 2012 [Guidelines for trans-European energy infrastructure], and (EU) No XXX/2012 [INFSO Guidelines], and to the achievement of their objectives. The financial instruments shall be based on ex-ante assessments of market imperfections or sub-optimal investment situations and investment needs.</p>	<p>1. Financial instruments set up in accordance with Title VIII of Regulation (EU, Euratom) No 966/2012 may be used to facilitate access to finance by entities implementing actions contributing to projects of common interest as defined in Regulations (EU) No XXXX/2012 [TEN-T Guidelines], (EU) No XXX 2012 [Guidelines for trans-European energy infrastructure], and (EU) No XXX/2012 [INFSO Guidelines], and to the achievement of their objectives.</p>	<p>1. Financial instruments set up in accordance with Title VIII of Regulation (EU) No XXXX/2012 [New Financial Regulation], may be used to facilitate access to finance by entities implementing actions contributing to projects of common interest as defined in Regulations (EU) No XXXX/2012 [TEN-T Guidelines], (EU) No XXXX/2012 [Guidelines for Trans-European energy infrastructure], and (EU) No XXXX/2012 [INFSO Guidelines], and to the achievement of their objectives. The financial instruments shall be based on ex-ante assessments of market imperfections or sub-optimal investment situations and investment needs. The main terms, conditions and procedures for each financial instrument are laid down in the Annex.</p>	<p><u>Agreed text:</u> 1. Financial instruments set up in accordance with Title VIII of Regulation (EU) No XXXX/2012 [New Financial Regulation], may be used to facilitate access to finance by entities implementing actions contributing to projects of common interest as defined in Regulations (EU) No XXXX/2012 [TEN-T Guidelines], (EU) No XXXX/2012 [Guidelines for Trans-European energy infrastructure], and (EU) No XXXX/2012 [INFSO Guidelines], and to the achievement of their objectives. The financial instruments shall be based on ex-ante assessments of market imperfections or sub-optimal investment situations and investment needs. The main terms, conditions and procedures for each financial instrument are laid down in the Annex.</p>

COMMISSION PROPOSAL ST 16176/4/11 REV 4	EP AMENDMENTS (FIRST READING)	COUNCIL'S PROGRESS REPORT ST 17107/12	COMMENTS ¹
			<p><u>Agreed text:</u> <u>1a. The overall contribution from the general budget of the EU to the financial instruments shall not exceed 10% of the overall financial envelope of the CEF mentioned in Article 5(1).</u></p> <p><u>Presidency compromise proposal:</u> The following recital could be included: <u>The EUR 10 000 000 000 transferred from the Cohesion Fund should not be used to commit budgetary resources to financial instruments under this Regulation before 31/12/2016.</u></p>

COMMISSION PROPOSAL ST 16176/4/11 REV 4	EP AMENDMENTS (FIRST READING)	COUNCIL'S PROGRESS REPORT ST 17107/12	COMMENTS ¹
2. Financial instruments established under Regulation (EC) No 680/2007 may be merged, if applicable, to those created under the Connecting Europe Facility.		2. Financial instruments established under Regulation (EC) No 680/2007 may be merged, if applicable and subject to a prior evaluation, to those created under this Regulation.	<p><u>Agreed text:</u></p> <p>2. All financial instruments established under Regulation (EC) No 680/2007 and project bonds established under Decision 1639/2006/EC⁶¹ may be merged together, if applicable and subject to a prior evaluation, to those created under this Regulation.</p> <p>[A recital corresponding to this text needs to be included]</p>

⁶¹ Decision 1639/2006/EC of the European Parliament and of the Council of 24 October 2006 establishing a Competitiveness and Innovation Framework Programme (2007 to 2013) (OJ L 310, 9.11.2006, p. 15).

COMMISSION PROPOSAL ST 16176/4/11 REV 4	EP AMENDMENTS (FIRST READING)	COUNCIL'S PROGRESS REPORT ST 17107/12	COMMENTS ¹
		<p>The merger of project bonds is subject to the interim report to be carried out in the second half of 2013 as defined in Regulation (EC) No 680/2007. The start of the Project Bond Initiative is subject to the results of the independent full evaluation of the Project Bond Initiative pilot phase in 2015 as defined in Regulation (EC) No 680/2007.</p>	<p><u>Agreed text:</u> The merger of project bonds is subject to the interim report to be carried out in the second half of 2013 as defined in Regulation (EC) No 680/2007 and in Decision 1639/2006/EC⁶². The start of the Project Bond Initiative <u>will start up progressively within a ceiling of 230 million EUR during the years 2014 and 2015⁶³</u>. <u>The full implementation of the initiative</u> is subject to the results of the independent full evaluation to be carried out in 2015 as defined in Regulation (EC) No 680/2007 and in Decision 1639/2006/EC⁶⁴. <u>In the light of that evaluation, taking into account all options, the Commission shall consider proposing appropriate regulatory changes, including legislative changes, in particular if the predicted market uptake is not</u></p>

⁶² Decision 1639/2006/EC of the European Parliament and of the Council of 24 October 2006 establishing a Competitiveness and Innovation Framework Programme (2007 to 2013) (OJ L 310, 9.11.2006, p. 15).

⁶³ This amount corresponds to the budget amount available under the pilot phase of the Project Bond Initiative 2012-13.

⁶⁴ Decision 1639/2006/EC of the European Parliament and of the Council of 24 October 2006 establishing a Competitiveness and Innovation Framework Programme (2007 to 2013) (OJ L 310, 9.11.2006, p. 15).

COMMISSION PROPOSAL ST 16176/4/11 REV 4	EP AMENDMENTS (FIRST READING)	COUNCIL'S PROGRESS REPORT ST 17107/12	COMMENTS ¹
			<u>satisfactory or in the event that alternative sources of long-term debt financing become sufficiently available.</u>
AM 97 Article 14 paragraph 3 - introductory wording			
3. The following financial instruments may be used:	3. <i>In particular, the</i> following financial instruments may be used:	3. The following financial instruments may be used:	<u>Agreed text:</u> 3. The following financial instruments may be used:
(a) equity instruments, such as investment funds with a focus on providing risk capital for actions contributing to projects of common interest;		(a) equity instruments, such as investment funds with a focus on providing risk capital for actions contributing to projects of common interest;	<u>Agreed text:</u> (a) equity instruments, such as investment funds with a focus on providing risk capital for actions contributing to projects of common interest;
AM 98 Article 14 paragraph 3 point b			
– (b) loans and/or guarantees facilitated by risk-sharing instruments, including enhancement mechanism to project bonds, issued by a financial institution on its own resources with a Union contribution to the provisioning and/or capital allocation;	(b) loans and/or guarantees facilitated by risk-sharing instruments, including <i>inter alia</i> enhancement mechanism to project bonds, <i>backing individual projects or portfolios of projects</i> issued by a financial institution on its own resources with a Union contribution to the provisioning and/or capital allocation;	(b) loans and/or guarantees facilitated by risk-sharing instruments, including enhancement mechanism to project bonds, issued by a financial institution from its own resources with a Union contribution to the provisioning and/or capital allocation.	<u>Agreed text:</u> (b) loans and/or guarantees facilitated by risk-sharing instruments, including enhancement mechanism to project bonds, <u>backing individual projects or portfolios of projects</u> issued by a financial institution on its own resources with a Union contribution to the provisioning and/or capital allocation;

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AM 99 Article 14 paragraph 3 point c			
(c) any other financial instruments.	(c) other financial instruments, <i>provided the following conditions are met:</i>	(c) [...].	<u>Agreed text:</u> [...].
	– <i>conformity with Regulation (EU, Euratom) No 966/2012; and</i>		<u>Agreed text:</u> [...].
	– <i>conformity with the objectives of this Regulation;</i>		<u>Agreed text:</u> [...].
	<i>The Commission shall be empowered to adopt delegated acts in accordance with Article 25 of this Regulation concerning the financial instruments referred to in point (c) of this paragraph;</i>		<u>Agreed text:</u> [...].
AM 100 Article 14 paragraph 3 point c a (new)			
	<i>(ca) financial instruments aimed at facilitating private investment for the introduction of innovative technologies with higher investment risks.</i>		<u>Agreed text:</u> [...].

COMMISSION PROPOSAL ST 16176/4/11 REV 4	EP AMENDMENTS (FIRST READING)	COUNCIL'S PROGRESS REPORT ST 17107/12	COMMENTS ¹
Article 15 Conditions for granting financial aid through financial instruments		Article 15 Conditions for granting financial aid through financial instruments	Article 15 Conditions for granting financial aid through financial instruments
AM 101			
Article 15			
1. Actions supported by means of financial instruments shall be selected on a first come first served basis and shall seek sectoral diversification in accordance with Articles 3 and 4 as well as gradual geographical diversification across the Member States.	1. Actions <i>eligible for support</i> by means of financial instruments shall be selected, <i>on the basis of maturity, in accordance with Article 17</i> , shall seek sectoral <i>and geographical</i> diversification <i>across the Member States and shall comply with the following criteria:</i>	1. Actions supported by means of financial instruments shall be selected on a basis of maturity and shall seek sectoral diversification in accordance with Articles 3 and 4 as well as geographical balance across the Member States.	<u>EP amendment not acceptable</u> (a reference to Article 140 of Regulation (EU, Euratom) No 966/2012 could be included)
	– <i>represent European added value;</i>		
	– <i>respond to the objectives of the Europe 2020 strategy;</i>		
	– <i>ensure non-distortion of competition in the internal market;</i>		
	– <i>present a leverage effect with regard to Union support.</i>		

COMMISSION PROPOSAL ST 16176/4/11 REV 4	EP AMENDMENTS (FIRST READING)	COUNCIL'S PROGRESS REPORT ST 17107/12	COMMENTS ¹
2. The Union, any Member State and other investors may provide financial aid in addition to contributions received by the use of financial instruments, provided that the Commission agrees to any changes to eligibility criteria of actions and/or the investment strategy of the instrument which may be necessary due to the additional contribution.	2. The Union, any Member State and other investors may provide financial aid in addition to contributions received by the use of financial instruments, provided that the Commission agrees to any changes to eligibility criteria of actions and/or the investment strategy of the instrument which may be necessary due to the additional contribution.	2. The Union, any Member State and other investors may provide financial aid in addition to contributions received by the use of financial instruments, provided that the Commission agrees to any changes to eligibility criteria of actions and/or the investment strategy of the instrument which may be necessary due to the additional contribution.	<u>Agreed text:</u> 2. The Union, any Member State and other investors may provide financial aid in addition to contributions received by the use of financial instruments, provided that the Commission agrees to any changes to eligibility criteria of actions and/or the investment strategy of the instrument which may be necessary due to the additional contribution.
3. The financial instruments shall aim to preserve the value of assets provided by the Union budget. They may generate acceptable returns to meet the objectives of other partners or investors.	3. The financial instruments shall aim to <i>enhance the multiplier effect of Union spending by attracting additional resources from public as well as private investors, whilst preserving</i> the value of assets provided by the Union budget. They may generate acceptable returns, <i>without in any way jeopardising the implementation of the actions supported under this Regulation.</i>	3. The financial instruments shall aim to preserve the value of assets provided by the Union budget;	<u>Presidency compromise proposal:</u> 3. The financial instruments shall aim to preserve the value of assets provided by the Union budget <u>shall enhance the multiplier effect of Union spending by attracting additional resources from private investors, whilst aiming to preserve the value of assets provided by the Union budget.</u>

COMMISSION PROPOSAL ST 16176/4/11 REV 4	EP AMENDMENTS (FIRST READING)	COUNCIL'S PROGRESS REPORT ST 17107/12	COMMENTS ¹
4. Financial instruments may be combined with grants funded from the Union budget, including under this Regulation.	4. <i>Different types of</i> financial instruments may be combined with grants funded from the Union budget, including under this Regulation, <i>provided that this is necessary in order to ensure that the project is viable.</i>	4. Financial instruments provided under this Regulation may be combined with grants funded from the Union budget.	<u>Agreed text:</u> 4. Financial instruments provided under this Regulation may be combined with grants funded from the Union budget.
5. The Work Programmes may establish additional conditions according to the specific needs of the sectors.	5. The <i>work programmes</i> may establish additional conditions according to the specific needs of the sectors.	5. The Commission may establish additional conditions in the work programmes according to the specific needs of the sectors.	<u>Agreed text:</u> 5. The Commission may establish additional conditions in the work programmes according to the specific needs of the sectors.
6. In accordance with Article 18(2) of the Regulation (EU) No XXXX/2012 [New Financial Regulation], revenues and repayments generated by one financial instrument shall be assigned to that financial instrument. For financial instruments already set up in the multiannual financial framework for the 2007-2013 period, revenues and repayments generated by operations started in that period shall be assigned to the financial instrument in the period 2014-2020.	6. In accordance with Article 18(2) of Regulation (EU, Euratom) No 966/2012, revenues and repayments generated by one financial instrument shall be assigned to that financial instrument <i>for as long as this Regulation has effect.</i>	6. [...]	<u>EP amendment not acceptable</u>

COMMISSION PROPOSAL ST 16176/4/11 REV 4	EP AMENDMENTS (FIRST READING)	COUNCIL'S PROGRESS REPORT ST 17107/12	COMMENTS ¹
Article 16 Actions in third countries		Article 16 Actions in third countries	Article 16 Actions in third countries
Actions in third countries may be supported by the financial instruments if it is necessary for the implementation of a project of common interest.		Actions in third countries may be supported by means of the financial instruments if those actions are necessary for the implementation of a project of common interest.	<u>Agreed text:</u> Actions in third countries may be supported by means of the financial instruments if those actions are necessary for the implementation of a project of common interest.
CHAPTER VI		CHAPTER VI	
PROGRAMMING, IMPLEMENTATION AND CONTROL		PROGRAMMING, IMPLEMENTATION AND CONTROL	
Article 17 Multiannual and/or annual work programmes		Article 17 Multiannual and/or annual work programmes	
AM 102			
Article 17 paragraphs 1 and 2			
1. The Commission shall adopt multiannual and annual work programmes for each sector. The Commission may also adopt multiannual and annual work programmes that cover more than one sector. Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 24(2).	1. The Commission shall adopt <i>delegated acts in accordance with Article 25 concerning</i> multiannual and annual work programmes for each sector. The Commission may also adopt <i>delegated acts in accordance with Article 25 concerning</i> multiannual and annual work programmes that cover more than one sector	1. The Commission shall adopt multiannual and annual work programmes for each of the transport, energy and telecommunications sectors. The Commission may also adopt multiannual and annual work programmes that cover more than one sector. Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 24(2).	<u>EP amendment not acceptable</u> Delegated/implementing acts - to be discussed later

COMMISSION PROPOSAL ST 16176/4/11 REV 4	EP AMENDMENTS (FIRST READING)	COUNCIL'S PROGRESS REPORT ST 17107/12	COMMENTS ¹
2. The multiannual work programmes shall be reviewed at least at mid-term. If necessary, the Commission shall revise the multiannual work programme by means of implementing act. Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 24(2).	2. The multiannual work programmes shall be reviewed at least at mid-term. If necessary, the Commission shall <i>adopt delegated acts in accordance with Article 25</i> to revise the multiannual work programme.	2. The multiannual work programmes shall be reviewed at least at mid-term. If necessary, the Commission shall revise the multiannual work programme by means of an implementing act. Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 24(2).	<u>EP amendment not acceptable</u> Delegated/implementing acts - to be discussed later
3. Multiannual work programmes in the field of transport shall be adopted for projects of common interest as listed in Part I of the Annex to this Regulation.		3. Multiannual work programmes in the transport sector shall be adopted for projects of common interest as listed in Part I of the Annex to this Regulation.	
The amount of the financial envelope shall lie within a range of 80% to 85% of the budgetary resources referred to in Article 5(1)(a).		The amount of the financial envelope shall lie within a range of 80 % to 85 % of the budgetary resources referred to in Article 5(1)(a).	

COMMISSION PROPOSAL ST 16176/4/11 REV 4	EP AMENDMENTS (FIRST READING)	COUNCIL'S PROGRESS REPORT ST 17107/12	COMMENTS ¹
		The projects detailed in Part I of the Annex are not binding on the Member States for their programming decisions. The decision to implement these projects is a competence of Member States and will depend on public financing capacities, and on their socio-economic viability in accordance with the provisions of Article 7 of Regulation (EU) No XXXX/2012 [TEN-T Guidelines].	
AM 103 Article 17 paragraph 3a (new)			
	<i>3a. In the field of transport, at least 4% to 5% of the budgetary resources referred to in point (a) of Article 5(1) shall be used for innovative financial instruments.</i>		<u>EP amendment not acceptable</u>

COMMISSION PROPOSAL ST 16176/4/11 REV 4	EP AMENDMENTS (FIRST READING)	COUNCIL'S PROGRESS REPORT ST 17107/12	COMMENTS ¹
AM 104 Article 17 paragraph 4			
4. The multiannual work programmes in the field of energy and telecommunications shall provide strategic orientation in the field of projects of common interest and may include specific projects of common interest.	<i>deleted</i>	4. The multiannual work programmes for the energy and telecommunications sectors shall provide strategic orientation for projects of common interest and may include specific projects of common interest consistent with the guidelines set out in Regulation (EU) No XXXX/2012 [Guidelines for trans-European energy infrastructure] and in Regulation (EU) No XXXX/2012 [INFSO Guidelines].	<u>Presidency compromise proposal:</u> 4. The multiannual work programmes for the <u>II</u> telecommunications sectors shall provide strategic orientation for projects of common interest and may include specific projects of common interest consistent with the guidelines set out in <u>II</u> Regulation (EU) No XXXX/2012 [INFSO Guidelines].

COMMISSION PROPOSAL ST 16176/4/11 REV 4	EP AMENDMENTS (FIRST READING)	COUNCIL'S PROGRESS REPORT ST 17107/12	COMMENTS ¹
5. The sectoral annual work programmes, in the field of transport, energy and telecommunications, shall be adopted for projects of common interest not included in the multiannual programmes.		5. The annual work programmes, for the transport, energy and telecommunications sectors, shall be adopted for projects of common interest not included in the multiannual work programmes.	
AM 105 Article 17 paragraph 6			
6. Acting in accordance with the procedure referred to in paragraph 1, the Commission, when establishing multiannual and sectoral annual work programmes, shall establish the selection and award criteria in line with the objectives and priorities laid down:	6. Acting in accordance with the procedure referred in paragraph 1, the Commission, when establishing multiannual and sectoral annual work programmes, shall establish the selection and award criteria in line with the objectives and priorities laid down <i>in Articles 3 and 4 of this Regulation and in Regulation (EU) No XXXX/2012 [TEN-T Guidelines], (EU) No XXX 2012 [Guidelines for trans-European energy infrastructure] or (EU) No XXX/2012 INFSO Guidelines]. The following criteria shall be taken into account:</i>	6. The Commission, when establishing multiannual and sectoral annual work programmes, shall establish the selection and award criteria in line with the objectives and priorities laid down:	<u>Presidency compromise proposal:</u> 6. The Commission, when establishing multiannual and sectoral annual work programmes, shall establish the selection and award criteria in line with the objectives and priorities laid down <u>in Articles 3 and 4 of this Regulation and in Regulation (EU) No XXXX/2012 [TEN-T Guidelines], (EU) No XXX 2012 [Guidelines for trans-European energy infrastructure] or (EU) No XXX/2012 INFSO Guidelines].</u>

COMMISSION PROPOSAL ST 16176/4/11 REV 4	EP AMENDMENTS (FIRST READING)	COUNCIL'S PROGRESS REPORT ST 17107/12	COMMENTS ¹
	<i>(a) the maturity of the action in the project development and preparation stages and the soundness of the implementation proposed;</i>		<u>EP amendment not acceptable</u>
	<i>(b) the leverage effect of Union support on public and private investment and the single market;</i>		<u>EP amendment not acceptable</u>
	<i>(c) the need to overcome specific financial obstacles and lack of market finance, linked to the nature or urgency of the project;</i>		<u>EP amendment not acceptable</u>
	<i>(d) the costs and benefits including economic, social, greenhouse gas and/or other environmental impacts, and accessibility;</i>		<u>EP amendment not acceptable</u>
	<i>(e) the cross-border dimension and ability to reduce or end the isolation of Member States.</i>		<u>EP amendment not acceptable</u>
(a) for transport in Regulation (EU) No XXXX/2012 [TEN-T Guidelines];		(a) for transport in Regulation (EU) No XXXX/2012 [TEN-T Guidelines];	
(b) for energy in Regulation (EU) No XXXX/2012 [Guidelines for trans-European energy infrastructure];		(b) for energy in Regulation (EU) No XXXX/2012 [Guidelines for trans-European energy infrastructure];	

COMMISSION PROPOSAL ST 16176/4/11 REV 4	EP AMENDMENTS (FIRST READING)	COUNCIL'S PROGRESS REPORT ST 17107/12	COMMENTS ¹
(c) for telecommunications in Regulation No (EU) XXXX/2012 [INFSO Guidelines].		(c) for telecommunications in Regulation (EU) No XXXX/2012 [INFSO Guidelines].	INFSO Guidelines on hold - to be discussed later
AM 106 Article 17 paragraph 7			
<p>7. Work programmes shall be coordinated in order to exploit the synergies between transport, energy and telecommunications, notably in such areas as smart energy grids, electric mobility, intelligent and sustainable transport systems. Multi-sectoral calls for proposals can be adopted.</p>	<p>7. Work programmes shall be coordinated in order to exploit the synergies between transport, energy and telecommunications, notably in such areas as smart energy grids, electric mobility, intelligent and sustainable transport systems, joint rights of way or infrastructure coupling. Multi-sectoral calls for proposals can be adopted, with the financial amounts allocated for each sector being those set out in Article 5(1), weighted according to each sector's relative involvement in the actions concerned.</p>	<p>7. Work programmes shall be coordinated in order to exploit the synergies between transport, energy and telecommunications, notably in such areas as smart energy grids, electric mobility, intelligent and sustainable transport systems. Multi-sectoral calls for proposals can be adopted.</p>	<p><u>Presidency compromise proposal:</u> 7. Work programmes shall be coordinated in order to exploit the synergies between transport, energy and telecommunications, notably in such areas as smart energy grids, electric mobility, intelligent and sustainable transport systems, joint rights of way or infrastructure coupling. Multi-sectoral calls for proposals can may be adopted for actions eligible under Article 7(4a), with the financial amounts allocated for each sector weighted according to each sector's relative involvement in the eligible costs of the actions selected for financing under the CEF.</p> <p>[Alternative text: "[First sentence unchanged]. The Commission shall at least adopt one multi-sectoral call for proposals for actions eligible</p>

COMMISSION PROPOSAL ST 16176/4/11 REV 4	EP AMENDMENTS (FIRST READING)	COUNCIL'S PROGRESS REPORT ST 17107/12	COMMENTS ¹
			<u>under Article 7(4a), with the financial amounts allocated for each sector weighted according to each sector's relative involvement in the eligible costs of the actions selected for financing under the CEF."</u>
		Article 17a Granting of Union financial aid	
		1. Following every call for proposals, based on a multiannual or annual work programme referred to in article 17, the Commission, acting in accordance with the examination procedure referred to in Article 24, shall decide on the amount of financial aid to be granted to the projects or parts of projects selected. The Commission shall specify the conditions and methods for their implementation.	
		2. The beneficiaries and the Member States concerned shall be informed by the Commission of any financial aid to be granted.	

COMMISSION PROPOSAL ST 16176/4/11 REV 4	EP AMENDMENTS (FIRST READING)	COUNCIL'S PROGRESS REPORT ST 17107/12	COMMENTS ¹
Article 18 Annual instalments		Article 18 Annual instalments	
Budgetary commitments may be divided into annual instalments. If so, each year the Commission shall commit the annual instalments taking into account the progress of the actions receiving financial aid, the estimated needs and the budget available.		The Commission may divide budgetary commitments into annual installments. In that case, it shall commit the annual installments taking into account the progress of the actions receiving financial aid, their estimated needs and the budget available.	
AM 107 Article 18 paragraph 2			
The indicative timetable covering the commitment of the individual annual instalments shall be communicated to the beneficiaries of grants and, if applicable for financial instruments, to the financial institutions concerned.	The indicative timetable covering the commitment of the individual annual instalments shall be communicated to the beneficiaries of grants, <i>to the Member States concerned and the European Parliament</i> and, if applicable for financial instruments, to the financial institutions concerned.	The Commission shall communicate to the beneficiaries of grants, to the Member States concerned and, {if applicable for financial instruments,} to the financial institutions concerned an indicative timetable covering the commitment of the individual annual installments.	<u>Agreed text:</u> The Commission shall communicate to the beneficiaries of grants, to the Member States concerned and, if applicable for financial instruments, to the financial institutions concerned an indicative timetable covering the commitment of the individual annual installments.

COMMISSION PROPOSAL ST 16176/4/11 REV 4	EP AMENDMENTS (FIRST READING)	COUNCIL'S PROGRESS REPORT ST 17107/12	COMMENTS ¹
Article 19 Carry-over of annual appropriations		Article 19 Carry-over of annual appropriations	Article 19 Carry-over of annual appropriations
AM 108 Article 19 paragraph 1			
Appropriations which have not been used at the end of the financial year for which they were entered shall be carried over automatically by one year.	Appropriations which have not been used at the end of the financial year for which they were entered shall be carried over automatically by one year, <i>in accordance with Articles 9 and 10 of Regulation (EU, Euratom) No 966/2012.</i>	Appropriations which have not been used at the end of the financial year for which they were entered shall be carried- over in accordance with Regulation (EU) No XXXX/2012 [New Financial Regulation].	<u>Agreed text:</u> Appropriations which have not been used at the end of the financial year for which they were entered shall be carried- over in accordance with Regulation (EU) No XXXX/2012 [New Financial Regulation].

COMMISSION PROPOSAL ST 16176/4/11 REV 4	EP AMENDMENTS (FIRST READING)	COUNCIL'S PROGRESS REPORT ST 17107/12	COMMENTS ¹
[Article 20 Delegated acts		Article 20 Delegated acts	
AM 109 Article 20 paragraph 1			
The Commission shall be empowered to adopt delegated acts in accordance with Article 25 concerning the addition or modification of the lists provided in the Annex.]	The Commission shall be empowered to adopt delegated acts in accordance with Article 25 concerning the addition or modification of the lists provided in the Annex <i>and delivery of the multiannual and annual work programme for each sector or covering more than one sector in accordance with Article 17.</i>	1. Subject to the approval of the Member State(s) concerned provided for in the second paragraph of Article 172 TFEU, the Commission shall be empowered to adopt delegated acts in accordance with Article 25 concerning the modification of Parts I and III of the Annex, to take account of changing financing priorities in the trans-European networks and of changes relating to projects of common interest identified in [Regulation (EU) No XXXX/2012 [TEN-T Guidelines] and Regulation (EU) No XXXX/2012 [INFSO Guidelines]. When amending Parts I and III of the Annex, the Commission shall ensure:	<u>Agreed text:</u> 1. Subject to the approval of the Member State(s) concerned provided for in the second paragraph of Article 172 TFEU, the Commission shall be empowered to adopt delegated acts in accordance with Article 25 concerning the modification of Parts I and III of the Annex, to take account of changing financing priorities in the trans-European networks and of changes relating to projects of common interest identified in [Regulation (EU) No XXXX/2012 [TEN-T Guidelines] and Regulation (EU) No XXXX/2012 [INFSO Guidelines]. When amending Parts I and III of the Annex, the Commission shall ensure:

COMMISSION PROPOSAL ST 16176/4/11 REV 4	EP AMENDMENTS (FIRST READING)	COUNCIL'S PROGRESS REPORT ST 17107/12	COMMENTS ¹
		(a) that the projects of common interest according to Regulation (EU) No XXXX/2012 [TEN-T Guidelines] and Regulation (EU) No XXXX/2012 [INFSO Guidelines], are likely to be realised fully or partly under the multiannual financial framework 2014-2020;	<u>Agreed text:</u> (a) that the projects of common interest according to Regulation (EU) No XXXX/2012 [TEN-T Guidelines] and Regulation (EU) No XXXX/2012 [INFSO Guidelines], are likely to be realised fully or partly under the multiannual financial framework 2014-2020;
		(b) that the modifications comply with the eligibility criteria set out under Article 7 of this Regulation;	<u>Agreed text:</u> (b) that the modifications comply with the eligibility criteria set out under Article 7 of this Regulation;
		(c) as regards Part I of the Annex, that all sections include infrastructure projects whose realisation will necessitate their inclusion in a multi-annual work programme under Article 17(3) of this Regulation, without changing the alignment of the core network corridors;	<u>Agreed text:</u> (c) as regards Part I of the Annex, that all sections include infrastructure projects whose realisation will necessitate their inclusion in a multi-annual work programme under Article 17(3) of this Regulation, without changing the alignment of the core network corridors;

COMMISSION PROPOSAL ST 16176/4/11 REV 4	EP AMENDMENTS (FIRST READING)	COUNCIL'S PROGRESS REPORT ST 17107/12	COMMENTS ¹
		(d) as regards Part III of the Annex, that new priorities and areas of intervention meet the criteria of Article 3 and Article 4(c) of this Regulation. ⁶⁵	<u>Agreed text:</u> (d) as regards Part III of the Annex, that new priorities and areas of intervention meet the criteria of Article 3 and Article 4(c) of this Regulation. ⁶⁶

⁶⁵ Consistency between the Guidelines and the CEF to be assured. The inclusion of the reference to Part III of the Annex to the CEF Regulation in Article 20 is closely linked to the issue of the functional link (see second footnote related to Article 7(4) paragraph 2), Part III of the Annex (see footnote in Part III of the Annex), and to the discussions on the INFISO guidelines. Therefore, it should be subject to further discussions in the Telecom Working Party.

⁶⁶ Consistency between the Guidelines and the CEF to be assured. The inclusion of the reference to Part III of the Annex to the CEF Regulation in Article 20 is closely linked to the issue of the functional link (see second footnote related to Article 7(4) paragraph 2), Part III of the Annex (see footnote in Part III of the Annex), and to the discussions on the INFISO guidelines. Therefore, it should be subject to further discussions in the Telecom Working Party.

COMMISSION PROPOSAL ST 16176/4/11 REV 4	EP AMENDMENTS (FIRST READING)	COUNCIL'S PROGRESS REPORT ST 17107/12	COMMENTS ¹
		<p>⁶⁷2. The Commission shall be empowered to adopt delegated acts in accordance with Article 25 to modify the main terms, conditions and procedures laid down in Part IV of the Annex to this Regulation governing the Union Contribution to each financial instrument established under the Debt Framework or Equity Framework laid down in Part IV of the Annex to this Regulation in accordance with the results of the interim report and the full independent evaluation of the pilot phase of the Europe 2020 Project Bond Initiative established under Regulation (EU) 670/2012 of 12 July 2012 amending the Decision No 1639/2006/EC and the Regulation (EC) No 680/2007 and in order to take into account changing market conditions with a view to optimising their design and implementation.</p>	<p><u>Agreed text:</u> ⁶⁸2. The Commission shall be empowered to adopt delegated acts in accordance with Article 25 to modify the main terms, conditions and procedures laid down in Part IV of the Annex to this Regulation governing the Union Contribution to each financial instrument established under the Debt Framework or Equity Framework laid down in Part IV of the Annex to this Regulation in accordance with the results of the interim report and the full independent evaluation of the pilot phase of the Europe 2020 Project Bond Initiative established under Regulation (EU) 670/2012 of 12 July 2012 amending the Decision No 1639/2006/EC and the Regulation (EC) No 680/2007 and in order to take into account changing market conditions with a view to optimising their design and implementation.</p>

⁶⁷ Once the content of Part IV of the Annex is agreed, the Commission will present a new wording for Article 20(2) in order to lay down further criteria circumscribing its delegated powers.

⁶⁸ Once the content of Part IV of the Annex is agreed, the Commission will present a new wording for Article 20(2) in order to lay down further criteria circumscribing its delegated powers.

COMMISSION PROPOSAL ST 16176/4/11 REV 4	EP AMENDMENTS (FIRST READING)	COUNCIL'S PROGRESS REPORT ST 17107/12	COMMENTS ¹
		When amending Part IV of the Annex to this Regulation in the above cases, the Commission shall at all times ensure that	<u>Agreed text:</u> When amending Part IV of the Annex to this Regulation in the above cases, the Commission shall at all times ensure that
		(a) the modifications are made in accordance with the requirements established in Regulation (EU) No 966/2012, including the <i>ex ante</i> evaluation referred to in its Article 140(2)(f), and	<u>Agreed text:</u> (a) the modifications are made in accordance with the requirements established in Regulation (EU) No 966/2012, including the <i>ex ante</i> evaluation referred to in its Article 140(2)(f), and
		(b) the modifications are limited to:	<u>Agreed text:</u> (b) the modifications are limited to:
		(i) [...]	<u>Agreed text:</u> (i) [...]
		(ii) the modification of the threshold of the subordinated debt financing as referred in I.1(a) and I.1(b) of Part IV of the Annex to this Regulation, with the view to seek sectoral diversification and geographical balance across the Member States in accordance with Article 15;	<u>Agreed text:</u> (ii) the modification of the threshold of the subordinated debt financing as referred in I.1(a) and I.1(b) of Part IV of the Annex to this Regulation, with the view to seek sectoral diversification and geographical balance across the Member States in accordance with Article 15;

COMMISSION PROPOSAL ST 16176/4/11 REV 4	EP AMENDMENTS (FIRST READING)	COUNCIL'S PROGRESS REPORT ST 17107/12	COMMENTS ¹
		(iii) the modification of the threshold of the senior financing as referred in I.1(a) of Part IV of the Annex to this Regulation, with the view to seek sectoral diversification and geographical balance across the Member States in accordance with Article 15;	<u>Agreed text:</u> (iii) the modification of the threshold of the senior financing as referred in I.1(a) of Part IV of the Annex to this Regulation, with the view to seek sectoral diversification and geographical balance across the Member States in accordance with Article 15;
		(iv) the combination with other sources of funding as referred in I.3 and II.3 of Part IV of the Annex to this Regulation;	<u>Agreed text:</u> (iv) the combination with other sources of funding as referred in I.3 and II.3 of Part IV of the Annex to this Regulation;
		(v) the selection of Entrusted entities as referred in I.4 and II.4 of Part IV of the Annex to this Regulation; and	<u>Agreed text:</u> (v) the selection of Entrusted entities as referred in I.4 and II.4 of Part IV of the Annex to this Regulation; and
		(vi) pricing, risk and revenue sharing as referred in I.6 and II.6 of Part IV of the Annex to this Regulation.	<u>Agreed text:</u> (vi) pricing, risk and revenue sharing as referred in I.6 and II.6 of Part IV of the Annex to this Regulation.

COMMISSION PROPOSAL ST 16176/4/11 REV 4	EP AMENDMENTS (FIRST READING)	COUNCIL'S PROGRESS REPORT ST 17107/12	COMMENTS ¹
			<p>Agreed text: <u>3. The Commission shall be empowered to adopt delegated acts in accordance with Article 25 to raise the ceiling set out in Article 14(1a) up to 20% provided the following conditions are met:</u> <u>(i) positive evaluation of the pilot phase of the Project Bond Initiative carried out in 2015; and</u> <u>(ii) the take-up of financial instruments exceeds 8% in terms of project contractual commitments.</u></p>
<p>Article 21 Responsibility of beneficiaries and Member States</p>		<p>Article 21 Responsibility of beneficiaries and Member States</p>	
<p>Within the sphere of their responsibility and without prejudice to the obligations incumbent on beneficiaries under the conditions governing the grants, beneficiaries and Member States shall make every effort to implement the projects of common interest which receive Union financial aid granted under this Regulation.</p>		<p>Within the respective spheres of their responsibilities, and without prejudice to the obligations incumbent on beneficiaries under the conditions governing the grants, beneficiaries and Member States shall make every effort to implement the projects of common interest which receive Union financial aid granted under this Regulation.</p>	

COMMISSION PROPOSAL ST 16176/4/11 REV 4	EP AMENDMENTS (FIRST READING)	COUNCIL'S PROGRESS REPORT ST 17107/12	COMMENTS ¹
AM 110 Article 21 paragraph 2			
Member States shall for projects related to transport and energy sectors, undertake the technical monitoring and financial control of actions in close cooperation with the Commission and shall certify the reality and the conformity of the expenditure incurred in respect of projects or parts of projects. The Member States may request the participation of the Commission during on-the-spot checks.	Member States shall undertake the technical monitoring and financial control of actions in close cooperation with the Commission and shall certify the reality and the conformity of the expenditure incurred in respect of projects or parts of projects. The Member States may request the participation of the Commission during on-the-spot checks.	Member States shall undertake the technical monitoring and financial control of actions in close cooperation with the Commission and shall certify that the expenditure incurred in respect of projects or parts of projects has been disbursed and that the disbursement was in conformity with the relevant rules. The Member States may request the participation of the Commission during on-the-spot checks and inspections.	<u>EP amendment not acceptable</u>
AM 111 Article 21 paragraph 3			
In the field of telecommunications in particular, the national regulatory authorities shall make every effort to ensure the required legal certainty and investment conditions facilitating the implementation of the projects receiving Union financial aid under this Regulation.	<i>deleted</i>	[...]	<u>EP amendment acceptable</u> INFSO Guidelines on hold - to be discussed later

COMMISSION PROPOSAL ST 16176/4/11 REV 4	EP AMENDMENTS (FIRST READING)	COUNCIL'S PROGRESS REPORT ST 17107/12	COMMENTS ¹
AM 112 Article 21 paragraph 4			
<p>Member States shall inform the Commission continuously, if relevant through the interactive geographical and technical information systems, which in case of the trans-European transport networks is TENtec, about the progress made in implementing projects of common interest and the investments made for this purpose including the amount of support used for climate change objectives.</p>	<p>Member States shall inform the Commission <i>regularly, and at least annually</i>, through <i>an</i> interactive geographical, <i>technical, public and easily accessible</i> information system, which in case of the trans-European Transport networks is TENtec, about the progress made in implementing projects of common interest and the investments made for this purpose including the amount of support used for climate-change objectives. <i>On that basis, the Commission shall make public, and update at least annually, information about the specific projects under the Connecting Europe Facility, including, where appropriate, the forms and amounts of Union co-funding as well as the progress of each project. For this purpose, the EIB shall upon request pass relevant information on to the Commission, while safeguarding confidential commercial information.</i></p>	<p>Member States shall inform the Commission annually, if relevant through the interactive geographical and technical information systems, about the progress made in implementing projects of common interest and the investments made for this purpose including the amount of support used for climate change objectives.</p>	<p><u>Presidency compromise proposal:</u> Member States shall inform the Commission annually, if relevant through the <u>an</u> interactive geographical and technical information system, about the progress made in implementing projects of common interest and the investments made for this purpose including the amount of support used for climate change objectives. <u>On that basis, the Commission shall make public, and update at least annually, information about the specific projects under the Connecting Europe Facility.</u></p>

COMMISSION PROPOSAL ST 16176/4/11 REV 4	EP AMENDMENTS (FIRST READING)	COUNCIL'S PROGRESS REPORT ST 17107/12	COMMENTS ¹
Article 22 Compliance with Union policies and Union law		Article 22 Compliance with Union policies and Union law	Article 22 Compliance with Union policies and Union law
Only actions in conformity with Union law and which are in line with relevant Union policies shall be financed under this Regulation.		Only actions in conformity with Union law and which are in line with the relevant Union policies shall be financed under this Regulation.	<u>Agreed text:</u> Only actions in conformity with Union law and which are in line with the relevant Union policies shall be financed under this Regulation.

COMMISSION PROPOSAL ST 16176/4/11 REV 4	EP AMENDMENTS (FIRST READING)	COUNCIL'S PROGRESS REPORT ST 17107/12	COMMENTS ¹
Article 23 Protection of the Union's financial interests		Article 23 Protection of the Union's financial interests ⁶⁹	
AM 113 Article 23 paragraph 1			
1. The Commission shall take appropriate measures ensuring that, when actions financed under this Regulation are implemented, the financial interests of the Union are protected by the application of preventive measures against fraud, corruption and any other illegal activities, by effective checks and, if irregularities are detected, by the recovery of the amounts wrongly paid and, where appropriate, by effective, proportional and deterrent penalties.	1. The Commission shall take appropriate measures ensuring that, when actions financed under this Regulation are implemented, the financial interests of the Union are protected by <i>ensuring that costs are not disproportionate for infrastructure of the same type in the different Member States, taking into due consideration local prices</i> , by the application of preventive measures against fraud, corruption and any other illegal activities, by effective checks and, if irregularities are detected, by the recovery of the amounts wrongly paid and, where appropriate, by effective, proportional and deterrent penalties.	1. The Commission shall take appropriate measures ensuring that, when actions financed under this Regulation are implemented, the financial interests of the Union are protected by the application of preventive measures against fraud, corruption and any other illegal activities, by effective checks and, if irregularities are detected, by the recovery of the amounts wrongly paid and, where appropriate, by effective, proportionate and dissuasive administrative and financial penalties.	<u>EP amendment not acceptable</u>

⁶⁹ Recital (47) to be amended as follows: "The financial interests of the Union should be protected through proportionate measures throughout the expenditure cycle, including the prevention, detection and investigation of irregularities, the recovery of funds lost, wrongly paid or incorrectly used and, where appropriate, administrative and financial penalties in accordance with Regulation (EU) No XXXX/2012 of the European Parliament and of the Council on the financial rules applicable to the annual budget of the Union."

COMMISSION PROPOSAL ST 16176/4/11 REV 4	EP AMENDMENTS (FIRST READING)	COUNCIL'S PROGRESS REPORT ST 17107/12	COMMENTS ¹
<p>2. The Commission or its representatives and the Court of Auditors shall have the power of audit, on the basis of documents and on-the-spot, over all grant beneficiaries, implementing bodies, contractors and subcontractors who have received Union funds.</p>		<p>2. The Commission or its representatives and the Court of Auditors shall have the power of audit, on the basis of documents and on-the-spot, over all grant beneficiaries, implementing bodies, contractors and subcontractors who have received Union funds under this Regulation.</p>	
<p>3. The European Anti-Fraud Office (OLAF) shall be authorised to carry out on-the-spot checks and inspections on economic operators concerned directly or indirectly by such funding in accordance with the procedures laid down in Council Regulation (Euratom, EC) No 2185/96 of 11 November 1996 concerning on-the-spot checks and inspections carried out by the Commission in order to protect the European Communities' financial interests against fraud and other irregularities⁷⁰ with a view to establishing that there has been fraud, corruption or any other illegal activity affecting the</p>		<p>3. The European Anti-Fraud Office (OLAF) may carry out investigations, including on-the-spot checks and inspections, in accordance with the provisions and procedures laid down in Regulation (EC) No 1073/1999 of the European Parliament and of the Council of 25 May 1999 concerning investigations conducted by the European Anti-Fraud Office (OLAF)⁷¹ and Council Regulation (Euratom, EC) No 2185/96 of 11 November 1996 concerning on-the-spot checks and inspections carried out by the Commission in order to protect the European Communities' financial</p>	

⁷⁰ OJ L 292, 15.11.1996, p. 2.

⁷¹ OJ L 136, 31.5.1999, p.1.

COMMISSION PROPOSAL ST 16176/4/11 REV 4	EP AMENDMENTS (FIRST READING)	COUNCIL'S PROGRESS REPORT ST 17107/12	COMMENTS ¹
financial interests of the Union in connection with a grant agreement or decision or a contract concerning Union funding.		interests against fraud and other irregularities ⁷² with a view to establishing whether there has been fraud, corruption or any other illegal activity affecting the financial interests of the Union in connection with a grant agreement or grant decision or a contract funded under this Regulation.	
4. Without prejudice to the previous paragraphs, cooperation agreements with third countries and international organisations and grant agreements and decisions and contracts resulting from the implementation of this Regulation shall expressly entitle the Commission, the Court of Auditors and OLAF to conduct such audits, on-the-spot checks and inspections.		4. Without prejudice to paragraphs 1, 2 and 3, cooperation agreements with third countries and with international organisations, contracts, grant agreements and grants decisions and contracts resulting from the implementation of this Regulation shall contain provisions expressly empowering the Commission, the Court of Auditors and OLAF to conduct such audits and investigations, according to their respective competences.	

⁷² OJ L 292, 15.11.1996, p. 2.

COMMISSION PROPOSAL ST 16176/4/11 REV 4	EP AMENDMENTS (FIRST READING)	COUNCIL'S PROGRESS REPORT ST 17107/12	COMMENTS¹
TITLE II		TITLE II	
GENERAL AND FINAL PROVISIONS		GENERAL AND FINAL PROVISIONS	
Article 24 Committees		Article 24 Committees	
1. The Commission shall be assisted by a Coordination Committee of the Facility. That committee shall be a committee within the meaning of Regulation (EU) No 182/2011.		1. The Commission shall be assisted by the CEF Coordination Committee. The Committee shall be a committee within the meaning of Regulation (EU) No 182/2011.	Delegated/implementing acts - to be discussed later
2. Where reference is made to this paragraph, Article 5 of Regulation (EU) No 182/2011 shall apply.		2. Where reference is made to this paragraph, Article 5 of Regulation (EU) No 182/2011 shall apply.	Delegated/implementing acts - to be discussed later

COMMISSION PROPOSAL ST 16176/4/11 REV 4	EP AMENDMENTS (FIRST READING)	COUNCIL'S PROGRESS REPORT ST 17107/12	COMMENTS ¹
AM 114 Article 24 paragraph 3			
<p>3. The committee shall ensure a horizontal overview of the work programmes referred to in Article 17 to ensure consistency and that synergies are identified and exploited between sectors.</p>	<p>3. The committee shall ensure a horizontal overview of the work programmes referred to in Article 17 to ensure <i>their</i> consistency and that synergies are identified, exploited <i>and assessed</i> between sectors, <i>and shall seek in particular to ensure a fair contribution from the financial envelopes of each sector in cross-sectoral calls for proposals and when establishing the co-financing rates for actions with synergies between the sectors.</i></p>	<p>3. The Committee shall ensure a horizontal overview of the work programmes referred to in Article 17 to ensure consistency and that synergies are identified and exploited between sectors.</p>	<p><u>Presidency compromise proposal:</u> 3. The committee shall ensure a horizontal overview of the work programmes referred to in Article 17 to ensure their consistency and that synergies are identified, exploited and assessed between sectors. <u>It shall seek in particular to coordinate the work programmes with a view to launch multi-sectoral calls for proposals.</u></p>
<p>Article 25 Exercise of delegation</p>		<p>Article 25 Exercise of delegation</p>	
<p>1. The power to adopt delegated acts is conferred on the Commission subject to the conditions laid down in this Article.</p>		<p>1. The power to adopt delegated acts is conferred on the Commission subject to the conditions laid down in this Article.</p>	<p>Delegated/implementing acts - to be discussed later</p>

COMMISSION PROPOSAL ST 16176/4/11 REV 4	EP AMENDMENTS (FIRST READING)	COUNCIL'S PROGRESS REPORT ST 17107/12	COMMENTS ¹
AM 115 Article 25 paragraph 2			
<p>2. The power to adopt delegated acts referred to in Article 20 shall be conferred on the Commission for an indeterminate period from the date of entry into force of this Regulation.</p>	<p>2. The power to adopt delegated acts referred to in <i>Articles 17 and 20</i> shall be conferred on the Commission for <i>the duration of the Multiannual Financial Framework 2014-2020</i>.</p>	<p>2. The delegation of power referred to in Article 20 shall be conferred on the Commission from the date of entry into force of this Regulation until the end of the multiannual financial framework period.</p>	<p><u>Presidency compromise proposal:</u> 2. The delegation of power referred to in Article 20 shall be conferred on the Commission for the duration from the date of entry into force of this Regulation until the end of the Multiannual Financial Framework 2014-2020 period. Delegated/implementing acts - to be discussed later</p>
	<p><i>The Commission shall draw up a report in respect of the delegation of power not later than nine months before the end of that seven-year period. The delegation of power shall be tacitly extended for periods of an identical duration, unless the European Parliament or the Council opposes such extension not later than three months before the end of each period.</i></p>		<p><u>EP amendment not acceptable</u> Delegated/implementing acts - to be discussed later</p>

COMMISSION PROPOSAL ST 16176/4/11 REV 4	EP AMENDMENTS (FIRST READING)	COUNCIL'S PROGRESS REPORT ST 17107/12	COMMENTS ¹
<p>3. The delegation of power referred to in Article 20 may be revoked at any time by the European Parliament or by the Council. A decision to revoke shall put an end to the delegation of the power specified in that decision. It shall take effect the day following the publication of the decision in the <i>Official Journal of the European Union</i> or at a later date specified therein. It shall not affect the validity of any delegated acts already in force.</p>		<p>3. The delegation of power referred to in Article 20 may be revoked at any time by the European Parliament or by the Council. A decision of revocation shall put an end to the delegation of the power specified in that decision. It shall take effect the day following the publication of the decision in the <i>Official Journal of the European Union</i> or at a later date specified therein. It shall not affect the validity of any delegated acts already in force.</p>	<p>Delegated/implementing acts - to be discussed later</p>
<p>4. As soon as it adopts a delegated act, the Commission shall notify it simultaneously to the European Parliament and to the Council.</p>		<p>4. As soon as it adopts a delegated act, the Commission shall notify it simultaneously to the European Parliament and to the Council.</p>	<p>Delegated/implementing acts - to be discussed later</p>

COMMISSION PROPOSAL ST 16176/4/11 REV 4	EP AMENDMENTS (FIRST READING)	COUNCIL'S PROGRESS REPORT ST 17107/12	COMMENTS¹
<p>5. A delegated act adopted pursuant to Article 20 shall enter into force only if no objection has been expressed either by the European Parliament or by the Council within a period of two months of notification of that act to the European Parliament and to the Council or if, before the expiry of that period, the European Parliament and the Council have both informed the Commission that they will not object. That period shall be extended by two months at the initiative of the European Parliament or of the Council.</p>		<p>5. A delegated act adopted pursuant to Article 20 shall enter into force only if no objection has been expressed either by the European Parliament or by the Council within a period of two months of notification of that act to the European Parliament and to the Council or if, before the expiry of that period, the European Parliament and the Council have both informed the Commission that they will not object. That period shall be extended by two months at the initiative of the European Parliament or of the Council.</p>	<p>Delegated/implementing acts - to be discussed later</p>

COMMISSION PROPOSAL ST 16176/4/11 REV 4	EP AMENDMENTS (FIRST READING)	COUNCIL'S PROGRESS REPORT ST 17107/12	COMMENTS ¹
Article 26 Evaluation		Article 26 Evaluation	
AM 116 Article 26 paragraph 1			
<p>1. No later than mid-2018, an evaluation report shall be established by the Commission on the achievement of the objectives of all the measures (at the level of results and impacts), the efficiency of the use of resources and its European added value, in view of a decision on the renewal, modification or suspension of the measures. The evaluation shall additionally address the scope for simplification, its internal and external coherence, the continued relevance of all objectives, as well as the contribution of the measures to the Union priorities of smart, sustainable and inclusive growth. It shall take into account evaluation results on the long-term impact of the predecessor measures.</p>	<p>1. No later than 31 December 2017, an evaluation report shall be <i>presented to the European Parliament and the Council</i> by the Commission on the achievement of the objectives of all the measures (at the level of results and impacts), the efficiency of the use of resources and its European added value, <i>with a view to</i> a decision on the renewal, modification or suspension of the measures. The evaluation shall additionally address the scope for simplification, its internal and external coherence <i>and</i> the continued relevance of all objectives, as well as the contribution of the measures to the Union priorities of smart, sustainable and inclusive growth, <i>including their impact on economic, social and territorial cohesion</i>. It shall take into account evaluation results <i>concerning</i> the long-term impact of the measures <i>previously taken</i>. <i>Furthermore, the</i></p>	<p>1. At the end of 2017, the Commission, in cooperation with the Member States and beneficiaries concerned, shall establish an evaluation report on the achievement of the objectives of all the measures (at the level of results and impacts), the efficiency of the use of resources and its European added value, in view of a decision on the renewal, modification or suspension of the measures. The evaluation shall also address the scope for simplification, the internal and external coherence of the measures, the continued relevance of all objectives, and their contribution to the Union priorities of smart, sustainable and inclusive growth. The report shall take into account evaluation results on the long-term impact of the predecessor measures.</p>	<p>Presidency compromise proposal: 1. <u>No later than 31 December 2017</u>, the Commission, in cooperation with the Member States and beneficiaries concerned, shall establish an evaluation report <u>to be presented to the European Parliament and the Council by the Commission</u> on the achievement of the objectives of all the measures (at the level of results and impacts), the efficiency of the use of resources and its European added value, in view of a decision on the renewal, modification or suspension of the measures. The evaluation shall also address the scope for simplification, the internal and external coherence of the measures, the continued relevance of all objectives, and their contribution to the Union priorities of smart, sustainable and inclusive growth, <u>including their impact on economic, social and territorial cohesion</u>. <u>The report</u></p>

COMMISSION PROPOSAL ST 16176/4/11 REV 4	EP AMENDMENTS (FIRST READING)	COUNCIL'S PROGRESS REPORT ST 17107/12	COMMENTS ¹
	<p><i>Commission shall in that evaluation make an assessment of future steps to be taken in order to enhance the efficiency of Union spending and to increase the volume of investment in priority projects. That assessment shall also examine, inter alia, how to make financial instruments even more attractive to a wider range of long-term investors, including public investors, and how to widen the scope of projects eligible, and the possible development of equity instruments to finance Union infrastructure.</i></p>		<p><u>shall include an assessment of the economies of scale made by the Commission at a financial, technical and human level when managing the Connecting Europe Facility and, where applicable, of the total number of projects harnessing the synergies between the sectors.</u> The report shall take into account evaluation results on the long-term impact of the predecessor measures.</p> <p><u>[AM 55 covered in this Article]</u></p>

COMMISSION PROPOSAL ST 16176/4/11 REV 4	EP AMENDMENTS (FIRST READING)	COUNCIL'S PROGRESS REPORT ST 17107/12	COMMENTS ¹
AM 117 Article 26 paragraph 1a (new)			
	<p><i>1a. The Connecting Europe Facility shall take into account the independent full-scale evaluation of the Europe 2020 Project Bond Initiative, to be carried out in 2015. On the basis of that evaluation, the Commission shall assess the relevance of the Europe 2020 Project Bond Initiative and its effectiveness in increasing the volume of investment in priority projects and enhancing the efficiency of Union spending. In the light of that assessment, taking into account all options, the Commission shall consider proposing appropriate regulatory changes, including legislative changes, in particular if the predicted market uptake is not satisfactory or in the event that alternative sources of long-term debt financing become sufficiently available.</i></p>		<p>Presidency compromise proposal: <u>1a. The Connecting Europe Facility shall take into account the independent full-scale evaluation of the Europe 2020 Project Bond Initiative, to be carried out in 2015. On the basis of that evaluation, the Commission and the Member States shall assess the relevance of the Europe 2020 Project Bond Initiative and its effectiveness in increasing the volume of investment in priority projects and enhancing the efficiency of Union spending.</u></p>

COMMISSION PROPOSAL ST 16176/4/11 REV 4	EP AMENDMENTS (FIRST READING)	COUNCIL'S PROGRESS REPORT ST 17107/12	COMMENTS ¹
<p>2. The Commission shall carry out ex-post evaluation in close cooperation with the Member States and beneficiaries. The ex-post evaluation shall examine the effectiveness and efficiency of the Connecting Europe Facility and its impact on economic, social and territorial cohesion as well as contribution to the Union priorities of smart, sustainable and inclusive growth and the scale and results of support used for climate change objectives. The ex post evaluation shall feed into a decision on a possible renewal, modification or suspension of a subsequent measure.</p>		<p>2. The Commission shall carry out <i>ex post</i> evaluation in close cooperation with the Member States and beneficiaries. The <i>ex post</i> evaluation shall examine the effectiveness and efficiency of the CEF and its impact on economic, social and territorial cohesion as well as its contribution to the Union priorities of smart, sustainable and inclusive growth and the scale and results of support used for climate change objectives.</p>	

COMMISSION PROPOSAL ST 16176/4/11 REV 4	EP AMENDMENTS (FIRST READING)	COUNCIL'S PROGRESS REPORT ST 17107/12	COMMENTS ¹
3. Evaluations shall take account of progress against performance indicators as referred to in Article 3 and 4.		3. Evaluations shall take account of progress against performance indicators as referred to in Articles 3 and 4.	<u>Agreed text:</u> 3. Evaluations shall take account of progress against performance indicators as referred to in Articles 3 and 4.
4. The Commission shall communicate the conclusions of these evaluations to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions.		4. The Commission shall communicate the conclusions of these evaluations to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions.	<u>Agreed text:</u> 4. The Commission shall communicate the conclusions of these evaluations to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions.
5. The Commission and the Member States, assisted by the other possible beneficiaries, may undertake an evaluation of the methods of carrying out projects as well as the impact of their implementation, in order to assess whether the objectives, including those relating to environmental protection, have been attained.		5. The Commission and the Member States, assisted by the other possible beneficiaries, may undertake an evaluation of the methods of carrying out projects as well as the impact of their implementation, in order to assess whether the objectives, including those relating to environmental protection, have been attained.	<u>Agreed text:</u> 5. The Commission and the Member States, assisted by the other possible beneficiaries, may undertake an evaluation of the methods of carrying out projects as well as the impact of their implementation, in order to assess whether the objectives, including those relating to environmental protection, have been attained.

COMMISSION PROPOSAL ST 16176/4/11 REV 4	EP AMENDMENTS (FIRST READING)	COUNCIL'S PROGRESS REPORT ST 17107/12	COMMENTS ¹
6. The Commission may request a beneficiary Member State concerned by a project of common interest to provide a specific evaluation of the actions and the linked projects financed under this Regulation or, where appropriate, to supply it with the information and assistance required to undertake an evaluation of such projects.		6. The Commission may request a Member State concerned by a project of common interest to provide a specific evaluation of the actions and the linked projects financed under this Regulation or, where appropriate, to supply it with the information and assistance required to undertake an evaluation of such projects.	
Article 27 Information, communication and publicity		Article 27 Information, communication and publicity	
AM 118 Article 27 paragraph 1			
1. Beneficiaries and, where appropriate, Member States concerned shall ensure that suitable publicity is given to aid granted under this Regulation in order to inform the public of the role of the Union in the implementation of the projects.	1. Beneficiaries and, where appropriate, Member States concerned shall ensure that suitable publicity is given, and transparency applied , to aid granted under this Regulation in order to inform the public of the role of the Union in the implementation of the projects.	1. Beneficiaries shall ensure that suitable publicity is given to aid granted under this Regulation in order to inform the public of the role of the Union in the implementation of the projects.	<u>EP amendment acceptable</u>

COMMISSION PROPOSAL ST 16176/4/11 REV 4	EP AMENDMENTS (FIRST READING)	COUNCIL'S PROGRESS REPORT ST 17107/12	COMMENTS ¹
AM 119 Article 27 paragraph 2			
2. The Commission shall implement information and communication actions on the Connecting Europe Facility projects and results. Moreover, budget allocated to communication under this Regulation shall also cover corporate communication on the political priorities of the Union ⁷³ .	2. The Commission shall implement information and communication actions on the Connecting Europe Facility projects and results.	2. The Commission shall implement information and communication actions on the CEF projects and results. Resources allocated to communication actions under Article 5(2) of this Regulation shall also contribute to cover the corporate communication of the political priorities of the European Union as far as they are related to the general objectives of this Regulation.	<u>EP amendment not acceptable</u>
			<u>Presidency compromise proposal:</u> <u>Article 27a</u> <u>Part V of the Annex to this Regulation shall replace the Annex to Regulation (EU) No 913/2010.</u>

⁷³ Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions - A Budget for Europe 2020 Part II (Policy fiches), COM(2011) 500 final, 29.06.2011, p. 7.

COMMISSION PROPOSAL ST 16176/4/11 REV 4	EP AMENDMENTS (FIRST READING)	COUNCIL'S PROGRESS REPORT ST 17107/12	COMMENTS ¹
Article 28 Transitional provisions		Article 28 Transitional provisions	Article 28 Transitional provisions
This Regulation shall not affect the continuation or modification, including the total or partial cancellation, of the projects concerned, until their closure, or of financial aid awarded by the Commission on the basis of Regulations (EC) 2236/95 and (EC) No 680/2007, or any other legislation applying to that assistance on 31 December 2013, which shall continue to apply to the actions concerned until their closure.		This Regulation shall not affect the continuation or modification, including the total or partial cancellation, of the projects concerned, until their closure, or of financial aid awarded by the Commission on the basis of Regulations (EC) No 680/2007 and No 67/2010, or any other legislation applying to that assistance on 31 December 2013, which shall continue to apply to the actions concerned until their closure.	<u>Agreed text:</u> This Regulation shall not affect the continuation or modification, including the total or partial cancellation, of the projects concerned, until their closure, or of financial aid awarded by the Commission on the basis of Regulations (EC) No 680/2007 and No 67/2010, or any other legislation applying to that assistance on 31 December 2013, which shall continue to apply to the actions concerned until their closure.
Article 29 Repeal		Article 29 Repeal	Article 29 Repeal
Without prejudice to the provisions laid down in Article 28 of this Regulation, Regulation (EC) No 680/2007 is repealed with effect from 1 January 2014.		Notwithstanding Article 28 of this Regulation, Regulations (EC) No 680/2007 and No 67/2010 are repealed with effect from 1 January 2014.	<u>Agreed text:</u> Notwithstanding Article 28 of this Regulation, Regulations (EC) No 680/2007 and No 67/2010 are repealed with effect from 1 January 2014.

COMMISSION PROPOSAL ST 16176/4/11 REV 4	EP AMENDMENTS (FIRST READING)	COUNCIL'S PROGRESS REPORT ST 17107/12	COMMENTS ¹
Article 30 Entry into force		Article 30 Entry into force	Article 30 Entry into force
This Regulation shall enter into force on the 20th day following the publication in the <i>Official Journal of the European Union</i> .		This Regulation shall enter into force on the 20th day following the publication in the <i>Official Journal of the European Union</i> .	<u>Agreed text:</u> This Regulation shall enter into force on the 20th day following the publication in the <i>Official Journal of the European Union</i> .
It shall apply from 1 January 2014.		It shall apply from 1 January 2014.	<u>Agreed text:</u> It shall apply from 1 January 2014.
This Regulation shall be binding in its entirety and directly applicable in all Member States.		This Regulation shall be binding in its entirety and directly applicable in all Member States.	<u>Agreed text:</u> This Regulation shall be binding in its entirety and directly applicable in all Member States.
Done at Brussels, 13.3.2012		Done at Brussels, [...]	<u>Agreed text:</u> Done at Brussels, [...]

**PART I: LIST OF PRE-IDENTIFIED PROJECTS ON THE CORE NETWORK IN THE
FIELD OF TRANSPORT**

1) Horizontal Priorities

Innovative Management & Services	<i>Single European Sky – SESAR</i>
Innovative Management & Services	<i>Telematic Applications Systems for Road, Rail, Inland Waterways and Vessels</i> <i>(ITS, ERTMS, RIS and VTMS)</i>
Innovative Management & Services	<i>Core Network Ports, Motorways of the Sea (MoS) and Airports, safe and secure infrastructure</i>
New technologies and innovation	<i>New technologies and innovation in accordance with points (a) to (d) of Article 39 of Regulation (EU) N°XXXX/2012 [TEN-T Guidelines]</i>

2) Core Network Corridors

Baltic – Adriatic Corridor

ALIGNMENT:

Gdynia – Gdańsk – Katowice/Ślasków

Gdańsk – Warszawa – Katowice

Katowice – Ostrava – Brno – Wien

Szczecin/Świnoujście – Poznań – Wrocław – Ostrava

Katowice – Žilina – Bratislava – Wien

Wien – Graz– Villach – Udine – Trieste

Udine – Venezia – Padova – Bologna – Ravenna

Graz – Maribor –Ljubljana – Koper/Trieste

PRE-IDENTIFIED SECTIONS INCLUDING PROJECTS:

Gdynia - Katowice	Rail	Works
Gdynia, Gdańsk	Ports	port interconnections, (further) development of multimodal platforms
Warszawa - Katowice	Rail	Works
Wrocław – Poznań – Szczecin/Świnoujście	Rail	Works
Świnoujście, Szczecin	Port	port interconnections
Bielsko Biala – Žilina	Road	Works
Katowice - Ostrava - Brno - Wien & Katowice - Žilina - Bratislava - Wien	Rail	works, in particular cross-border sections PL-CZ, CZ-AT, PL-SK and SK-AT, Brno-Přerov line; (further) development of multimodal platforms and airport-rail interconnections
Wien - Graz - Klagenfurt - Udine - Venezia - Ravenna	Rail	partially construction of new lines (Semmering Base Tunnel and Koralm Railway line), rail upgrading; works on-going; (further) development of multimodal platforms; upgrading of existing two-track line between Udine - Cervignano and Trieste
Graz - Maribor - Pragersko	Rail	studies and works for second track
Trieste, Venice, Ravenna, Koper	Ports	port interconnections, (further) development of multimodal platforms

North Sea – Baltic

ALIGNMENT:

Helsinki – Tallinn – Riga

Ventspils – Riga

Riga – Kaunas

Klaipeda – Kaunas – Vilnius

Kaunas – Warszawa

BY border – Warszawa – Poznań – Frankfurt/Oder – Berlin – Magdeburg – Braunschweig –

Hannover

Hannover – Bremen – Bremerhaven

Hannover – Osnabrück – Hengelo – Almelo – Deventer – Utrecht

Utrecht – Amsterdam

Utrecht – Rotterdam – Antwerpen

Hannover – Köln – Antwerpen

PRE-IDENTIFIED SECTIONS INCLUDING PROJECTS:

Helsinki - Tallinn	Ports, MoS	port interconnections, (further) development of multimodal platforms and their interconnections, icebreaking capacity, MoS
Tallinn - Riga - Kaunas - Warszawa	Rail	(detailed) studies for new UIC gauge fully interoperable line; works for new line to start before 2020; rail – airports/ports interconnections, rail-road terminals, MoS
Ventspils – Riga	Rail	Upgrading, port interconnections, MoS
Klaipeda – Kaunas	Rail	Upgrading, port interconnections, MoS
Kaunas – Vilnius	Rail	Upgrading, airports interconnections, rail-road terminals
Via Baltica Corridor	Road	works for cross-border sections (EE, LV, LT, PL)
BY border - Warszawa - Poznań - DE border	Rail	works on existing line, studies for high speed rail
PL Border - Berlin - Hannover - Amsterdam/Rotterdam	Rail	studies and upgrading of several sections (Amsterdam – Utrecht – Arnhem; Hannover – Berlin)
Bremerhaven - Bremen	Rail	Works and studies ongoing

Berlin - Magdeburg – Hannover, Mittellandkanal, West-German Canals, Rhine, Waal, Noordzeekanaal, IJssel, Twentekanaal	IWW	studies, works for better navigability and upgrading waterways and locks
Amsterdam locks & Amsterdam - Rijnkanaal	IWW	locks studies ongoing; port: interconnections (studies and works, including Beatrix lock upgrade)

Mediterranean Corridor

ALIGNMENT:

Algeciras – Bobadilla – Madrid – Zaragoza – Tarragona

Sevilla – Bobadilla – Murcia

Cartagena – Murcia – Valencia – Tarragona

Tarragona – Barcelona – Perpignan – Marseille/Lyon – Torino – Novara – Milano – Verona –

Padova – Venezia – Ravenna/Trieste/Koper - Ljubljana – Budapest

Ljubljana/Rijeka – Zagreb – Budapest – UA border

PRE-IDENTIFIED SECTIONS INCLUDING PROJECTS:

Algeciras - Madrid	Rail	studies ongoing, works to be launched before 2015, to be completed 2020
Sevilla - Antequera - Granada - Almería - Cartagena - Murcia - Alicante - Valencia	Rail	studies and works
Madrid-Zaragoza-Barcelona	Rail	Upgrading of existing lines (gauge, sidings, platforms)
Valencia - Tarragona - Barcelona	Rail	construction between 2014 - 2020
Barcelona	Port	interconnections rail with port and airport
Barcelona – Valencia – Livorno	Motorways of the Sea	upgrading
Barcelona - Perpignan	Rail	cross-border section, works ongoing, new line completed by 2015, upgrading existing line (gauge, sidings, platforms)
Perpignan - Montpellier	Rail	bypass Nîmes - Montpellier to be operational in 2017, Montpellier - Perpignan for 2020
Lyon	Rail	Relieving Lyon bottlenecks: studies and works

Lyon – Avignon – Marseille	Rail	upgrading
Lyon - Torino	Rail	cross-border section, works base tunnel to be launched before 2020; studies and works access routes
Milano - Brescia	Rail	partially upgrading, partially new high-speed line
Brescia - Venezia - Trieste	Rail	works to start before 2014 on several sections in synergy with upgrading actions undertaken in overlapping stretches as in Baltic Adriatic Corridor
Milano – Cremona- Mantova – Porto Levante/Venezia – Ravenna/Trieste	IWW	Studies, upgrading, works
Cremona, Mantova, Venezia, Ravenna, Trieste	Inland Ports	Port interconnections, (further) development of multimodal platforms
Trieste - Divača	Rail	studies and partial upgrading ongoing; cross-border section to be realised until after 2020
Koper - Divača - Ljubljana – Pragersko	Rail	studies and upgrading/partially new line
Rijeka – Zagreb – Budapest	Rail	Studies and works (including construction of new track and second track between Rijeka and HU border)
Rijeka	Port	Infrastructure upgrading and development, development of multimodal platforms and interconnections
Ljubljana – Zagreb	Rail	Studies and works
Ljubljana node	Rail	rail node Ljubljana, including multi-modal platform; rail airport interconnection
Pragersko - Zalău	Rail	cross-border section: studies, works to start before 2020
Lendava - Letenye	Road	cross-border upgrading
Boba- Székesfehérvár	Rail	upgrading
Budapest-Miskolc-UA border	Rail	upgrading
Vásárosnamény-UA border	Road	cross-border upgrading

Orient/East-Med

ALIGNMENT:

Hamburg – Berlin

Rostock – Berlin – Dresden – Ústí nad Labem – Melnik/Praha - Kolin

Praha – Ostrava/Prerov – Žilina – Košice – UA Border

Kolin – Pardubice – Brno – Wien/Bratislava – Budapest – Arad – Timișoara – Craiova – Calafat –

Vidin – Sofia

Sofia – Plovdiv – Burgas

Plovdiv – TR border

Sofia – Thessaloniki – Athina – Piraeus – Lemesos – Lefkosia

Athina – Patra

PRE-IDENTIFIED SECTIONS INCLUDING PROJECTS:

Dresden - Praha	Rail	studies for high-speed rail
Praha	Rail	upgrading, freight bypass; rail connection airport
Praha – Breclav	Rail	upgrading
Ostrava/Prerov – Žilina – Kosice	Rail	upgrading, multimodal platforms
Zlín – Žilina	Road	cross-border road section
Hamburg – Dresden – Praha – Pardubice	IWW	Elbe and Vltava studies, works for better navigability and upgrading
Děčín locks	IWW	studies
Prague - Brno - Breclav	Rail	upgrading, including rail node Brno and multi-modal platform
Breclav – Bratislava	Rail	cross-border, upgrading
Bratislava – Hegyeshalom	Rail	cross-border, upgrading
Mosonmagyaróvár – SK Border	Road	cross border upgrading
Tata – Biatorbágy	Rail	upgrading
Budapest – Arad – Timișoara – Calafat	Rail	upgrading in HU nearly completed, ongoing in RO

Vidin – Sofia – Burgas/TR border Sofia – Thessaloniki – Athens/Piraeus	Rail	studies and works Vidin – Sofia – Thessaloniki - Athens; upgrading Sofia – Burgas/TR border
Vidin – Craiova	Road	Cross-border upgrading
Thessaloniki	Port	Infrastructure upgrading and development, multimodal interconnections
Athens/Piraeus – Lemesos	Port, MoS	port capacity and multimodal interconnections
Lemesos – Lefkosia	Ports, multimodal platforms	upgrading of modal interconnection, including Lefkosia South Orbital, studies and works, traffic managment systems
Lefkosia – Larnaca	Multimodal platforms	Multimodal interconnections and telematic applications systems
Patras	Port	Port interconnections, (further) development of multimodal platforms
Athina - Patras	Rail	studies and works, port interconnections

Scandinavian – Mediterranean

ALIGNMENT:

RU border – HaminaKotka – Helsinki – Turku/Naantali – Stockholm – Malmö
 Oslo – Goteburg – Malmö – Trelleborg
 Malmö – København – Kolding/Lübeck – Hamburg – Hannover
 Bremen – Hannover – Nürnberg
 Rostock – Berlin – Leipzig – München
 Nürnberg – München – Innsbruck – Verona – Bologna – Ancona/Firenze
 Livorno/La Spezia - Firenze – Roma – Napoli – Bari – Taranto – Valletta
 Napoli – Gioia Tauro – Palermo/Augusta – Valletta

PRE-IDENTIFIED SECTIONS INCLUDING PROJECTS:

HaminaKotka – Helsinki	Port, rail	port interconnections, rail upgrading, icebreaking capacities
Helsinki	Rail	airport-rail connection
RU border – Helsinki	Rail	Works ongoing
Helsinki – Turku	Rail	Upgrading
Turku/Naantali – Stockholm	Ports, MoS	port interconnections, icebraking capacity
Stockholm - Malmö (Nordic Triangle)	Rail	Works ongoing on specific sections
Trelleborg - Malmö – Göteborg	Rail, port, MoS	Works, multimodal platforms and port hinterland connections
Fehmarn	Rail	studies ongoing, construction works Fehmarn Belt fixed link to start in 2015
København - Hamburg via Fehmarn: access routes	Rail	access routes DK to be completed by 2020, access routes Germany to be completed in 2 steps: one track electrification with the completion of the fixed link and two-track seven years later
Rostock	Ports, MoS	interconnections ports with rail; low-emission ferries; ice-breaking capacity
Rostock - Berlin - Nürnberg	Rail	studies and upgrading
Hamburg/Bremen - Hannover	Rail	studies ongoing
Halle – Leipzig – Nürnberg	Rail	works ongoing, to be completed by 2017

München – Wörgl	Rail	access to Brenner Base Tunnel and cross-border section: studies
Brenner Base Tunnel	Rail	studies and works
Fortezza - Verona	Rail	studies and works
Napoli - Bari	Rail	studies and works
Napoli – Reggio Calabria	Rail	Upgrading
Verona – Bologna	Rail	Upgrading ongoing
Ancona, Napoli, Bari, La Spezia, Livorno	Ports	Port interconnections, (further) development of multimodal platforms
Messina - Catania – Augusta/Palermo	Rail	upgrading (remaining sections)
Palermo/Taranto - Valletta/Marsaxlokk	Ports, MoS	port interconnections
Valletta - Marsaxlokk	Port, airport	upgrading of modal interconnection, including Marsaxlokk-Luqa-Valletta, telematic applications systems
Bologna – Ancona	Rail	upgrading

Rhine – Alpine

ALIGNMENT:

Genova – Milano – Lugano – Basel

Genova –Novara – Brig – Bern – Basel – Karlsruhe – Mannheim – Mainz – Koblenz – Köln

Köln – Düsseldorf – Duisburg – Nijmegen/Arnhem – Utrecht – Amsterdam

Nijmegen – Rotterdam – Vlissingen

Köln – Liège – Bruxelles/Brussel – Gent

Liège – Antwerpen – Gent – Zeebrugge

PRE-IDENTIFIED SECTIONS INCLUDING PROJECTS:

Genova	Port	Port interconnections
Genova - Milano/Novara - CH border	Rail	studies; works starting before 2020
Basel – Antwerpen/Rotterdam - Amsterdam	IWW	upgrading, works for better navigability
Karlsruhe - Basel	Rail	works ongoing
Frankfurt - Mannheim	Rail	studies ongoing
Liège	Rail	port and airport rail connection
Rotterdam – Zevenaar	Rail	studies ongoing
Zevenaar - Emmerich - Oberhausen	Rail	works ongoing
Zeebrugge – Gent – Antwerp - DE border	Rail	Upgrading

Atlantic

ALIGNMENT:

Algeciras – Bobadilla – Madrid

Sines / Lisboa – Madrid – Valladolid

Lisboa – Aveiro – Leixões/Porto

Aveiro – Valladolid – Vitoria – Bergara – Bilbao/Bordeaux – Paris – Le Havre/Metz –

Mannheim/Strasbourg

PRE-IDENTIFIED SECTIONS INCLUDING PROJECTS:

High Speed rail Sines/Lisboa - Madrid	Rail, ports	studies and works ongoing, upgrading of modal interconnection ports of Sines/Lisboa
High speed rail Porto - Lisboa	Rail	studies ongoing
Rail connection Aveiro – Salamanca – Medina del Campo	Rail	cross-border: works ongoing
Rail Connection Bergara - San Sebastián - Bayonne	Rail	completion expected in ES by 2016, in FR by 2020
Bayonne - Bordeaux	Rail	ongoing public consultation
Bordeaux - Tours	Rail	works ongoing
Paris	Rail	southern high-speed bypass
Baudrecourt - Mannheim	Rail	upgrading
Baudrecourt - Strasbourg	Rail	works ongoing, to be completed 2016
Le Havre - Paris	IWW	Upgrading
Le Havre - Paris	Rail	Studies, upgrading
Le Havre	Port, Rail	Studies and works on port capacity, MoS and interconnections

ALIGNMENT:

Belfast – Dublin – Cork

Glasgow/Edinburgh – Liverpool/Manchester – Birmingham

Birmingham – Felixstowe/London/Southampton

London – Lille – Brussel/Bruxelles

Amsterdam – Rotterdam – Antwerp – Brussel/Bruxelles – Luxembourg

Luxembourg – Metz – Dijon – Macon – Lyon – Marseille

Luxembourg – Metz – Strasbourg – Basel

Antwerpen/Zeebrugge – Gent – Dunkerque/Lille – Paris

PRE-IDENTIFIED SECTIONS INCLUDING PROJECTS:

Cork - Dublin - Belfast	Rail	Studies and works; Belfast multimodal connections ; Dublin Interconnector (DART);
Larne - Belfast	Port, multimodal connections	upgrading
Glasgow - Edinburgh	Rail	Upgrading
Manchester – Liverpool	Rail	Upgrading and electrification, including Northern Hub
High Speed 2	Rail	Studies & works for a high speed line London – Midlands
Birmingham – Reading – Southampton	Rail	Upgrading of the freight line
Dublin, Cork, Southampton	Ports, Rail	Studies and works on port capacity, MoS and interconnections
Dunkerque	Port	Further development of multimodal platforms
Calais - Paris	Rail	preliminary studies
Bruxelles/Brussel	Rail	studies and works (North-South connection for conventional and high-speed)
Felixstowe – Midlands	Rail, port, multimodal platforms	rail upgrading, interconnections port and multimodal platforms
Maas, including Maaswerken	IWW	Upgrading
Albertkanaal/ Canal Bocholt-Herentals	IWW	Upgrading

Rhine-Scheldt corridor: Volkeraklock and Kreekaklock, Krammerlock and Lock Hansweert	IWW	locks: studies ongoing
Terneuzen	Maritime	locks: studies ongoing; works
Terneuzen - Gent	IWW	studies, upgrading
Zeebrugge	Port	locks: studies, interconnections (studies and works)
Antwerp	Maritime, port, rail	locks: studies ongoing; port: interconnections (including second rail access to the port of Antwerp)
Rotterdam - Antwerp	Rail	upgrading rail freight line
Canal Seine Nord; Seine - Escaut	IWW	design completed, competitive dialogue launched, overall completion by 2018 (2020) ; upgrading including cross-border and multimodal connections
Dunkerque – Lille	IWW	studies ongoing
Antwerpen, Bruxelles/Brussels, Charleroi	IWW	upgrading
Waterways upgrade in Wallonia	IWW	studies, upgrading, intermodal connections
Brussel/Bruxelles - Luxembourg - Strasbourg	Rail	works ongoing
Antwerp – Namur - LUX border – FR border	Rail	upgrading of rail freight line
Strasbourg - Mulhouse - Basel	Rail	upgrading
Rail Connections Luxembourg - Dijon - Lyon (TGV Rhin - Rhône)	Rail	studies and works
Lyon	Rail	eastern bypass: studies and works
Canal Saône - Moselle/Rhin	IWW	preliminary studies ongoing
Rhône	IWW	upgrading
Port of Marseille-Fos	Port	interconnections and multimodal terminals
Lyon - Avignon - Port de Marseille - Fos	Rail	upgrading
Marseille	Port	hinterland connections and multimodal terminal

Rhine – Danube

ALIGNMENT:

Strasbourg – Stuttgart – München – Wels/Linz

Strasbourg – Mannheim – Frankfurt – Würzburg – Nürnberg – Regensburg – Passau – Wels/Linz

Wels/Linz – Wien – Bratislava – Budapest – Vukovar

Wien/Bratislava – Budapest – Arad – Braşov/Craiova – Bucureşti – Constanta – Sulina

PRE-IDENTIFIED SECTIONS INCLUDING PROJECTS:

Rail connection Strasbourg - Kehl Appenweier	Rail	works interconnection Appenweier
Karlsruhe - Stuttgart - München	Rail	studies and works ongoing
München - Mühldorf - Freilassing - Salzburg	Rail	studies and works ongoing
Salzburg - Wels	Rail	studies
Nürnberg - Regensburg - Passau - Wels	Rail	Studies and works
Rail connection Wels - Wien	Rail	completion expected by 2017
Wien – Bratislava / Wien – Budapest / Bratislava – Budapest	Rail	studies high speed rail (including the alignment of the connections between the three cities)
Budapest - Arad	Rail	studies for high speed network between Budapest and Arad
Komárom – Komárno	IWW	Studies and works for cross-border bridge
Arad - Braşov - Bucureşti - Constanta	Rail	upgrading of specific sections; studies high-speed
Main – Main-Donau-Canal	IWW	studies and works on several sections and bottlenecks; inland waterway ports:multimodal interconnections with rail
Slavonski Brod	Port	Studies and works
Giurgiu, Galaţi	Port	Further development of multimodal platforms and connections with the hinterland: studies and works
Danube (Kehlheim - Constanţa/Midia/Sulina)	IWW	studies and works on several sections and bottlenecks; inland waterway ports:multimodal interconnections
Sava	IWW	Studies and works on several sections and bottlenecks (including cross-border bridge)
Bucharest – Danube Canal	IWW	Studies & works
Constanta	Port, MoS	port interconnections, MoS (including icebreaking

		services)
Craiova – Bucharest	Rail	studies

3) Other Sections on the Core Network

Sofia to FYROM border	Cross-Border	Rail	studies ongoing
Sofia to Serbian border	Cross-Border	Rail	studies ongoing
Timișoara – Serbia border	Cross-Border	Rail	studies ongoing
München – Praha	Cross-Border	Rail	studies and works
Nürnberg – Praha	Cross-Border	Rail	studies
Wrocław – Praha	Cross-Border	Rail	studies
Nowa Sól – Hradec Králové	Cross-Border	Road	works
Brno – AT border	Cross-Border	Road	upgrading
Budapest – Zvolen	Cross-Border	Road	upgrading
Budapest – SRB Border	Cross-Border	Rail	studies
Bothnian Corridor: Lulea – Oulu	Cross-Border	Rail	studies and works
Iasi-Republic of Moldova border	Cross-Border	Rail	studies ongoing
Suceava-Ukraina border	Cross-Border	Rail	studies
Priority Projects as defined in Annex III of Decision 661/2010 (Prague - Linz, New High-capacity rail: Central Trans-Pyrenees crossing, "Iron Rhine" (Rheidt-Antwerpen))	Cross-Border	Rail	studies ongoing
TarguNeamt–Ungheni	Cross-Border	Road	Upgrading
Marijampole-Kybartai (LT/RU border)	Cross-Border	Road	Upgrading
Vilnius-LT/BY border	Cross-Border	Road	Upgrading
Ioannina – Kakavia (EL/AL border)	Cross-Border	Road	Studies
Kleidi – Polikastro – Evzonoi (EL/FYROM border)	Cross-Border	Road	Upgrading
Serres – Promahonas – EL/BG border	Cross-Border	Road	works ongoing
Alexandroupoli – Kipoi EL/TR border	Cross-Border	Road	Studies and works
Dubrovnik – HR/ME border	Cross-Border	Road	Upgrading, works

Kędzierzyn Koźle – Chałupki-granica	Cross-Border	Road	Studies
A Coruña - Vigo - Palencia Gijón - Palencia	Bottleneck	Rail, MoS	works ongoing (including ports and multimodal platforms)
Frankfurt – Fulda – Erfurt – Berlin	Bottleneck	Rail	studies
Rail Egnatia	Bottleneck	Rail	studies ongoing
Sundsvall – Umea – Lulea	Bottleneck	Rail	studies and works
Zagreb – SR border	Bottleneck	Rail	Studies and works
A Coruña - Madrid (high-speed passenger service)	Bottleneck	Rail	works ongoing
Stockholm – Gävle – Sundsvall	Other Core Network	Rail	Upgrading, works
Mjölby – Hallsberg – Gävle	Other Core Network	Rail	Upgrading, works
Bothnian – Kiruna – NO border	Other Core Network	Rail	studies and works
Milford Haven – Swansea – Cardiff	Other Core Network	Rail	Upgrading
Rail connection Shannon Foynes - Limerick junction	Other Core Network	Rail	studies
Rail connection to Wilhelmshaven and Bremerhaven	Other Core Network	Rail	studies ongoing
UA Border – Kraków – Katowice – Wrocław – Dresden	Other Core Network	Rail	works
Zilina – UA border	Other Core Network	Rail	upgrading
Riga – RU/BY border	Other Core Network	Rail	Upgrading
Kaunas – Vilnius – BY border	Other Core Network	Rail	Upgrading, airport interconnection
Kybartai – Kaunas	Other Core Network	Rail	upgrading
Tallinn – Tartu - Koidula – RU border	Other Core Network	Rail	upgrading
Marseille – Toulon – Nice – Ventimiglia - Genova	Other Core Network	Rail	studies high-speed

Bordeaux – Toulouse	Other Core Network	Rail	studies high-speed
Helsinki – Oulu	Other Core Network	Rail	upgrading of sections
Bilbao – Pamplona – Zaragoza – Sagunto	Other Core Network	Rail	studies and works
Brunsbüttel - Kiel (Kiel-canal)	Other Core Network	IWW	Optimisation of navigation status
Igoumenitsa	Other Core Network	Port	Port interconnections, (further) development of multimodal platforms
Cardiff - Bristol - London	Other Core Network	Rail	Upgrading, including Crossrail
Alba-Iulia – Turda – Dej – Suceava – Paşcani – Iaşi	Other Core Network	Rail	studies and works
Bucuresti - Buzau	Other Core Network	Rail	Rail infrastructure improvement and repair, and connections with the hinterland: studies high-speed network
Ruhr area - Münster - Osnabrück - Hamburg	Other Core Network	Rail	upgrading of the section Münster - Lünen (doubletrack)
Nantes - Tours - Lyon	Other Core Network	Rail	studies and works
Ploiesti-Suceava	Other Core Network	Rail	studies
Heraklion	Other Core Network	Port, Airport, compined transport infrastucture/systems	Studies and construction works, upgrade and development infrastucture, multimodal interconnections
Huelva – Sevilla	Other Core Network	Rail	Works ongoing
Fredericia-Frederikshavn	Other Core Network	Rail	Upgrading, including electrification'

PART II: LIST OF INFRASTRUCTURE PRIORITY CORRIDORS AND AREAS IN THE ENERGY SECTOR

	<p align="center">AM 132</p>	<p>[NB: Text copied-pasted from the TEN-E Guidelines]</p> <p>1. PRIORITY ELECTRICITY CORRIDORS</p> <p>(1) Northern Seas offshore grid ("NSOG"): integrated offshore electricity grid development and the related interconnectors in the North Sea, the Irish Sea, the English Channel, the Baltic Sea and neighbouring waters to transport electricity from renewable offshore energy sources to centres of consumption and storage and to increase cross-border electricity exchange.</p> <p>Member States concerned: Belgium, Denmark, France, Germany, Ireland, Luxemburg, the Netherlands, Sweden, the United Kingdom;</p> <p>(2) North-South electricity interconnections in Western Europe ("NSI West Electricity"):</p>	<p><u>EP amendment not acceptable (already agreed in Regulation 347/2013, OJ L 115, 25.4.2013, p. 39)</u></p>
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		<p>interconnections between Member States of the region and with the Mediterranean area including the Iberian peninsula, notably to integrate electricity from renewable energy sources and reinforce internal grid infrastructures to foster market integration in the region.</p> <p>Member States concerned: Austria, Belgium, France, Germany, Ireland, Italy, Luxembourg, Netherlands, Malta, Portugal, Spain, the United Kingdom;</p> <p>(3) North-South electricity interconnections in Central Eastern and South Eastern Europe ("NSI East Electricity"): interconnections and internal lines in North-South and East-West directions to complete the internal market and integrate generation from renewable energy sources.</p> <p>Member States concerned: Austria, Bulgaria, Croatia⁷⁴, Czech Republic, Cyprus, Germany, Greece, Hungary, Italy, Poland, Romania, Slovakia, Slovenia;</p>	
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⁷⁴ Subject to and as of the date of accession of Croatia.

		<p>(4) Baltic Energy Market Interconnection Plan in electricity ("BEMIP Electricity"): interconnections between Member States in the Baltic region and reinforcing internal grid infrastructures accordingly, to end isolation of the Baltic States and to foster market integration inter alia by working towards the integration of renewable energy in the region;</p> <p>Member States concerned: Denmark, Estonia, Finland, Germany, Latvia, Lithuania, Poland, Sweden.</p> <p>2. PRIORITY GAS CORRIDORS</p> <p>(5) North-South gas interconnections in Western Europe ("NSI West Gas"): gas infrastructure for North-South gas flows in Western Europe to further diversify routes of supply and for increasing short-term gas deliverability.</p> <p>Member States concerned: Belgium, Denmark, France, Germany,</p>	
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		<p>Ireland, Italy, Luxembourg, Malta, the Netherlands, Portugal, Spain, the United Kingdom;</p> <p>(6) North-South gas interconnections in Central Eastern and South Eastern Europe ("NSI East Gas"): gas infrastructure for regional connections between and in the Baltic Sea region, the Adriatic and Aegean Seas, the Eastern Mediterranean Sea and the Black Sea, and for enhancing diversification and security of gas supply;</p> <p>Member States concerned: Austria, Bulgaria, Croatia⁷⁵, Cyprus, Czech Republic, Germany, Greece, Hungary, Italy, Poland, Romania, Slovakia, Slovenia;</p> <p>(7) Southern Gas Corridor ("SGC"): infrastructure for the transmission of gas from the Caspian Basin, Central Asia, the Middle East and the Eastern Mediterranean Basin to the Union to enhance diversification of gas</p>	
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⁷⁵ Subject to and as of the date of accession of Croatia.

		<p>supply.</p> <p>Member States concerned: Austria, Bulgaria, Croatia⁷⁶, Czech Republic, Cyprus, France, Germany, Hungary, Greece, Italy, Poland, Romania, Slovakia, Slovenia;</p> <p>(8) Baltic Energy Market Interconnection Plan in gas ("BEMIP Gas"): gas infrastructure to end the isolation of the three Baltic States and Finland and their dependency on a single supplier, to reinforce internal grid infrastructures accordingly, and to increase diversification and security of supplies in the Baltic Sea region;</p> <p>Member States concerned: Denmark, Estonia, Finland, Germany, Latvia, Lithuania, Poland, Sweden.</p> <p>4. PRIORITY THEMATIC AREAS</p> <p>(10) Smart grids deployment: adoption of smart grid technologies across the Union to efficiently</p>	
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⁷⁶ Subject to and as of the date of accession of Croatia.

		<p>integrate the behaviour and actions of all users connected to the electricity network, in particular the generation of large amounts of electricity from renewable or distributed energy sources and demand response by consumers;</p> <p>Member States concerned: all;</p> <p>(11) Electricity highways: first electricity highways by 2020, in view of building an electricity highways system across the Union that is capable of:</p> <p>1.1. (a) accommodating ever-increasing wind surplus generation in and around the Northern and Baltic Seas and increasing renewable generation in the East and South of Europe and also North Africa;</p> <p>1.2. (b) connecting these new generation hubs with major storage capacities in the Nordic countries, the Alps and other regions with major consumption centres, and</p> <p>1.3. (c) coping with an increasingly variable and decentralised electricity supply and</p>	
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		<p>flexible electricity demand;</p> <p>Member States concerned: all;</p> <p>(12) Cross-border carbon dioxide network: development of carbon dioxide transport infrastructure between Member States and with neighbouring third countries in view of the deployment of carbon dioxide capture and storage.</p> <p>Member States concerned: all.</p>	
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**PART III: LIST OF LIST OF PRE-IDENTIFIED PRIORITITES AND AREAS OF INTERVENTION
IN THE TELECOMMUNICATIONS SECTOR**

[NB: awaiting results of discussions on INFSO Guidelines]

AM 134 PART III a (new)			
	<i>List of pre-identified projects with synergies between at least two of the sectors covered by the Connecting Europe Facility.</i>		
	<i>Deployments of non-fossil fuel and non-polluting supply networks (e.g. electricity or hydrogen) for means of transport.</i>		
	<i>Implementation of smart grids by the exploitation of new or existing transport and telecommunication infrastructures.</i>		
	<i>The exploitation of transport infrastructures (e.g. tunnels, bridges, weirs, etc.) for the production of energy and/or for the deployment of new interconnectors which increase electrical capacity, deploy new gas corridors or telecommunication networks.</i>		

PART IV: TERMS, CONDITIONS AND PROCEDURES OF FINANCIAL INSTRUMENTS

		Objective and rationale ⁷⁷	
		The objective of the financial instruments under the Connecting Europe Facility is to facilitate infrastructure projects' access to project and corporate financing by using Union funding as leverage.	
		The financial instruments shall help finance projects of common interest with a clear EU added value, and to facilitate greater private sector involvement in the long-term financing of such projects in the field of transport, energy and telecommunications, including broadband networks.	

⁷⁷ This introductory part could be moved in the recital section.

		The financial instruments shall benefit projects with medium- to long-term financing needs and shall produce greater benefits in terms of market impact, administrative efficiency and resource utilisation.	
		They shall provide to infrastructure stakeholders such as financiers, public authorities, infrastructure managers, construction companies and operators a coherent market oriented toolbox of EU financial support.	
		The financial instruments shall consist of	
		a) an instrument for loans and guarantees facilitated by risk sharing instruments, including credit enhancement mechanisms to project bonds] ('Debt Instrument') and	
		b) an instrument for equity ('Equity Instrument'),	

		<p>which shall help overcome market constraints by improving the financing and/or risk profiles of the infrastructure investments. This, in turn, shall enhance the access of firms and other beneficiaries to loans, guarantees, equity and other forms of private financing.</p>	
		<p>Prior to the finalisation of the design of the Debt and Equity Instruments, the Commission shall carry out an ex-ante assessment in accordance with the Financial Regulation. Evaluations of existing, comparable financial instruments shall contribute to this assessment, where appropriate.</p>	

		I. Debt Instrument	
		<u>1. General provisions</u>	
		The goal of the Debt Instrument shall be to contribute to overcoming deficiencies of the European debt capital markets by offering risk-sharing for debt financing. Debt financing shall be provided by entrusted entities or dedicated investment vehicles in the form of senior and sub-ordinated debt or guarantees.	
		The Debt Instrument shall consist of a risk-sharing instrument for loans and guarantees and of the Project Bond Initiative. The project promoters may, in addition, seek equity financing under the Equity Instrument.	
		a. Risk-sharing instrument for loans and guarantees	
		The risk-sharing instrument for loans and guarantees shall be designed to create additional risk capacity in the entrusted entities. This shall allow the entrusted entities to provide funded and unfunded subordinated and senior debt to projects and corporates in order to facilitate promoters' access to bank financing. If the debt	

		financing is sub-ordinated, it shall rank behind the senior debt but ahead of equity and related financing related to equity.	
		The unfunded subordinated debt financing shall not exceed 30% of the total amount of the senior debt issued.	
		The senior debt financing provided under the Debt Instrument shall not exceed 50% of the total amount of the overall senior debt financing provided by the entrusted entity or the dedicated investment vehicle.	

		b. Project Bond Initiative	
		The risk-sharing instrument for project bonds shall be designed as a sub-ordinated debt financing in order to facilitate financing for project companies raising senior debt in the form of bonds. This credit enhancement instrument shall aim at helping the senior debt to achieve an investment grade credit rating	
		It shall rank behind the senior debt but ahead of equity and financing related to equity.	
		The subordinated debt financing shall not exceed 20% ^{78 79} of the total amount of the senior debt issued.	<u>Agreed text:</u> The subordinated debt financing shall not exceed 20 <u>30</u> % the total amount of the senior debt issued.

⁷⁸ To be reviewed following 2013 interim report of the pilot phase and the 2015 ~~external~~ **full independent** evaluation.

⁷⁹ Reservation on deletion of 30%: Commission, IT, LU.

		<u>2. Financial parameters and the leverage</u>	
		Risk- and revenue-sharing parameters shall be set in such a way that specific policy objectives including targeting of particular categories of projects can be achieved while still preserving the market oriented approach of the Debt Instrument.	
		The expected leverage of the Debt Instrument — defined as the total funding (i.e. Union contribution plus contributions from other financial sources) divided by the Union contribution — shall be expected to range from 6 to 15, depending on the type of operations involved (level of risk, target beneficiaries, and the debt financing concerned).	

		<u>3. Combination with other sources of funding</u>	
		Funding from the Debt Instrument may be combined with other ring-fenced budgetary contributions listed below,, subject to the rules of the Financial Regulation and the relevant legal base :	
		(a) other parts of the Connecting Europe Facility,	
		(b) other instruments, programmes and budget lines in the Union budget;	
		(c) Member States, including regional and local authorities, that wish to contribute own resources or resources available from the Cohesion Policy funds without changing the nature of the instrument.	

		<u>4. Implementation</u>	
		<u>Entrusted entities</u>	
		Entrusted entities shall be selected in accordance with the Financial Regulation.	
		The implementation under indirect management mode may have the form of direct mandates to entrusted entities. For instruments under direct mandates (i.e. in indirect management mode), the entrusted entities shall manage the Union contribution to the Debt Instrument and shall be risk-sharing partners.	

		In addition, the setting up of dedicated investment vehicles may be envisaged to allow the pooling of contributions from multiple investors. The Union contribution may be subordinated to that of other investors.	
		<u>The design and implementation</u>	
		The design shall be aligned with the general provisions for financial instruments set out in the Financial Regulation.	
		The detailed terms and conditions for implementing the Debt Instrument, including monitoring and control, shall be laid down in an agreement between the Commission and a respective entrusted entity, taking into account the provisions laid down in this Annex and the Financial Regulation.	
		<u>Fiduciary account</u>	
		The entrusted entity shall set up a fiduciary account to hold the Union contribution and revenues resulting from the Union contribution.	
		<u>5. Use of the Union contribution</u>	
		The Union contribution shall be used:	
		a. towards risk provisioning;	

		b. to cover agreed fees and costs associated with the establishment and management of the Debt Instrument, including its evaluation, which have been determined in line with the Financial Regulation and market practice;	<u>Agreed text:</u> b. to cover agreed fees and costs associated with the establishment and management of the Debt Instrument, including its evaluation <u>and support actions</u> , which have been determined in line with the Financial Regulation and market practice. <u>The administrative and performance-based fees to be paid to the entrusted entity shall not exceed 2% and 3% respectively of the Union contribution effectively used for individual operations, on the basis of a cost-based agreed methodology between the Commission and the entrusted entities.</u>
		c. for directly related support actions	
		<u>6. Pricing, risk and revenue sharing</u>	
		The Debt Instruments shall bear a price, to be charged to the beneficiary, in accordance with the relevant rules and criteria of the entrusted entities or dedicated investment vehicles and in line with best market practices.	

		As regards direct mandates to entrusted entities, the risk-sharing pattern shall be reflected in an appropriate sharing between the Union and the entrusted entity of the risk remuneration charged by the entrusted entity to its borrowers.	
		As regards dedicated investment vehicles, the risk-sharing pattern shall be reflected in an appropriate sharing between the Union and the other investors of the risk remuneration charged by the dedicated investment vehicle to its borrowers.	
		Notwithstanding the risk-sharing pattern chosen, the entrusted entity shall always be expected to share a portion of the defined risk and shall always bear the full residual risk tranche.	<u>Agreed text:</u> Notwithstanding the risk-sharing pattern chosen, the entrusted entity shall always be expected to share a portion of the defined risk and shall always bear the full residual risk tranche.
		The maximum risk covered by the Union budget shall not exceed 50% of the risk of the target debt portfolio under the debt instrument. The maximum risk-taking ceiling of 50% shall apply to the target size of dedicated investment vehicles.	

		<u>7. Application and approval procedure</u>	
		Applications shall be addressed to the entrusted entity or a dedicated investment vehicle, respectively, in accordance with their standard application procedures. The entrusted entities and the dedicated investment vehicles shall approve the projects in accordance with their internal procedures.	
		<u>8. Duration of the Debt Instrument</u>	
		The last tranche of the Union contribution to the Debt Instrument shall be committed by the Commission no later than 31 December 2020. The actual approval of debt financing by the entrusted entities or the dedicated investment vehicles shall be finalised by 31 December 2022.	

		<u>9. Expiry</u>	
		Union contribution allocated to the Debt Instrument shall be reimbursed to the relevant fiduciary account as debt financing expires or is repaid. The fiduciary account shall maintain sufficient funding to cover fees or risks related to the Debt Instrument until their expiry.	
		<u>10. Reporting</u>	
		The reporting methods on the implementation of the Debt Instrument shall be agreed by the Commission in the agreement and the entrusted entity in line with the Financial Regulation.	
		In addition, the Commission shall, with the support of the entrusted entities, report on implementation annually to the European Parliament and the Council until 2023 in accordance with Article 140(8) of the Financial Regulation.	<u>Agreed text:</u> In addition, the Commission shall, with the support of the entrusted entities, report annually to the European Parliament and the Council until 2023 on implementation, <u>the prevailing market conditions for the use of the instrument, the updated projects and the project pipeline including information on projects at different stages of the procedure while respecting confidentiality and sensitive market information</u> in accordance with Article 140(8) of the

			Financial Regulation
		<u>11. Monitoring, control and evaluation</u>	
		The Commission shall monitor the implementation of the Debt Instrument, including through on-the-spot controls as appropriate, and shall perform verification and controls in line with the Financial Regulation.	
		<u>12. Support Actions</u>	
		The implementation of the Debt Instrument may be supported by a set of accompanying measures. These may include, amongst other measures, technical and financial assistance; measures to raise the awareness of capital providers; schemes to attract private investors.	<u>Presidency compromise proposal:</u> The implementation of the Debt Instrument may be supported by a set of accompanying measures. These may include, amongst other measures, technical and financial assistance; measures to raise the awareness of capital providers; schemes to attract private investors. <u>The European Investment Bank shall provide at the request of the European Commission or the Member States concerned, technical assistance, including on financial structuring to projects of common interest, including the ones implementing the Core Network Corridors as listed in Part 1 of the Annex of this Regulation. This technical assistance shall also include</u>

			<u>support to administrations in order to develop adequate institutional capacity.</u>
		II. Equity Instrument	
		<u>1. General provisions</u>	
		The goal of the Equity Instrument shall be to contribute to overcoming the deficiencies of European capital markets by providing equity and quasi-equity investments.	
		The maximum amounts of the Union contribution shall be limited as follows:	
		- 33% of the target equity fund size or	
		- the co-investment by the Union in a project shall not exceed 30% of the total equity of a company.	
		The project promoters may, in addition, seek debt financing under the Debt Instrument.	

		<u>2. Financial parameters and the leverage</u>	
		Investment parameters shall be set in such a way that specific policy objectives, including the targeting of particular categories of infrastructure projects, can be achieved while still preserving the market-oriented approach of this instrument.	
		The expected leverage of the Equity Instrument — defined as the total funding (i.e. the Union contribution plus all contributions from other investors) divided by the Union contribution shall be expected in average to range from 5 to 10, depending on market specificities.	
		<u>3. Combination with other sources of funding</u>	
		Funding from the Equity Instrument may be combined with other ring-fenced budgetary contributions listed below, subject to the rules of the Financial Regulation and the relevant legal base:	
		(a) other parts of the Connecting Europe Facility,	
		(b) other instruments, programmes and budget lines in the Union budget; and	

		(c) Member States, including regional and local authorities, that wish to contribute own resources or resources available from the Cohesion Policy funds without changing the nature of the instrument.	
		<u>4. Implementation</u>	
		<u>Entrusted entities</u>	
		Entrusted entities shall be selected in accordance with the Financial Regulation.	
		The implementation under indirect management mode may have the form of direct mandates to entrusted entities, in indirect management mode. For instruments under direct mandates, (i.e. in indirect management mode), the entrusted entities shall manage the Union contribution to the Equity Instrument.	
		In addition, the setting up of dedicated investment vehicles may be envisaged to allow the pooling of contributions from multiple investors. The Union contribution may be subordinated to that of other investors.	

		In duly justified cases in order to achieve specific policy objectives, the Union contribution may be provided to a specific project by an entrusted entity as a co-investment.	
		<u>The design and implementation</u>	
		The design shall be aligned with the general provisions for financial instruments set out in the Financial Regulation.	
		The detailed terms and conditions for implementing the Equity Instrument, including its monitoring and control, shall be laid down in an agreement between the Commission and a respective entrusted entity, taking into account the provisions laid down in this Annex and the Financial Regulation.	
		<u>Fiduciary account</u>	
		The entrusted entity shall set up a fiduciary account to hold the Union contribution and revenues resulting from the Union contribution.	
		<u>5. Use of the Union contribution</u>	
		The Union contribution shall be used:	
		a. towards equity participations and,	

		b. to cover agreed fees and costs associated with the establishment and management of the Equity Instrument, including its evaluation, which have been determined in line with the Financial Regulation and market practice.	
		c. for directly related support actions.	
		<u>6. Pricing, risk and revenue sharing</u>	
		The equity remuneration shall comprise the customary return components attributed to equity investors and shall depend on the performance of the underlying investments.	
		<u>7. Application and approval procedure</u>	
		Applications shall be addressed to the entrusted entity or a dedicated investment vehicle, respectively, in accordance with their standard application procedures. The entrusted entities and the dedicated investment vehicles shall approve the projects in accordance with their internal procedures.	

		<u>8. Duration of the Equity Instrument</u>	
		The last tranche of the Union contribution to the Equity Instrument shall be committed by the Commission no later than 31 December 2020. The actual approval of equity investments by the entrusted entities or the dedicated investment vehicles shall be finalised by 31 December 2022.	
		<u>9. Expiry</u>	
		Union contribution allocated to the Equity Instrument shall be reimbursed to the relevant fiduciary account as investments are exited or mature otherwise. The fiduciary account shall maintain sufficient funding to cover fees or risks related to the Equity Instrument until its expiry.	
		<u>10. Reporting</u>	
		Annual reporting methods on the implementation of the Equity Instrument shall be agreed by the Commission and the entrusted entity in the agreement in line with the Financial Regulation.	

		In addition, the Commission shall, with the support of the entrusted entities, report on implementation annually to the European Parliament and the Council until 2023 in accordance with the Article 131(6) of the Financial Regulation.	<u>Agreed text:</u> In addition, the Commission shall, with the support of the entrusted entities, report on implementation annually to the European Parliament and the Council until 2023 in accordance with the Article 140(8) 131(6) of the Financial Regulation.
		<u>11. Monitoring, control and evaluation</u>	
		The Commission shall monitor the implementation of the Equity Instrument, including through on-the-spot controls as appropriate, and shall perform verification and controls in line with the Financial Regulation.	
		<u>12. Support actions</u>	
		The implementation of the Equity Instrument may be supported by a set of accompanying measures. These may include, amongst other measures, technical and financial assistance; measures to raise the awareness of capital providers; schemes to attract private investors.	

		III. Annual schedule for the contribution from the general budget of the EU⁸⁰	
		1. The contribution from the general budget of the EU to the Debt Instrument shall be made available to the EIB and entrusted entities in accordance with the following indicative schedule:	Numbers to be provided by the Commission
		2014 EUR [...] million	
		2015 EUR [...] million	
		2016 EUR [...] million	
		2017 EUR [...] million	
		2018 EUR [...] million	
		2019 EUR [...] million	
		2020 EUR [...] million	
		2. The contribution from the general budget of the EU to the Equity Instrument shall be made available to the EIB and entrusted entities in accordance with the following indicative schedule:	Numbers to be provided by the Commission
		2014 EUR [...] million	
		2015 EUR [...] million	
		2016 EUR [...] million	

⁸⁰ Amounts will be filled in once the MFF negotiations are completed and numbers are known.

		2017 EUR [...] million	
		2018 EUR [...] million	
		2019 EUR [...] million	
		2020 EUR [...] million	

PART V LIST OF INITIAL FREIGHT CORRIDORS

List of initial freight corridors

	Member States	Principal routes ⁽¹⁾	Establishment of freight corridors:
"Rhine-Alpine"	NL, BE, DE, IT	Zeebrugge-Antwerp/Amsterdam/Vlissingen ⁺ /Rotterdam-Duisburg-[<i>Basel</i>]-Milan- Genoa	By 10 November 2013
"North Sea – Mediterranean"	NL, BE, LU, FR, UK ⁺	Glasgow*/Edinburgh*/Southampton*/Felixstowe*-London ⁺ /Dunkerque ⁺ /Lille ⁺ /Liège/Paris ⁺ /Amsterdam ⁺ -Rotterdam-Zeebrugge ⁺ /Antwerp-Luxembourg-Metz-Dijon-Lyon/[<i>Basel</i>]-Marseille ⁺	By 10 November 2013
"Scandinavian – Mediterranean"	SE, DK, DE, AT, IT	Stockholm/[<i>Oslo</i>] ⁺ /Trelleborg ⁺ -Malmö-Copenhagen-Hamburg-Innsbruck-Verona-La Spezia ⁺ /Livorno ⁺ /Ancona ⁺ /Taranto ⁺ /Augusta ⁺ /Palermo	By 10 November 2015
"Atlantic"	PT, ES, FR, DE ⁺	Sines-Lisbon/Leixões — Madrid-Medina del Campo/ Bilbao/San Sebastian-Irun- Bordeaux-Paris/Le Havre/Metz – Strasbourg ⁺ /Mannheim ⁺ Sines-Elvas/Algeciras	By 10 November 2013
"Baltic – Adriatic"	PL, CZ, SK, AT, IT, SI	Swinoujście ⁺ /Gdynia-Katowice-Ostrava/Žilina-Bratislava/Vienna/Klagenfurt-Udine-Venice/ Trieste/ /Bologna/Ravenna Graz-Maribor-Ljubljana-Koper/Trieste	By 10 November 2015
"Mediterranean"	ES, FR, IT, SI, HU, HR ⁺	Almería-Valencia/Algeciras/Madrid-Zaragoza/Barcelona-Marseille-Lyon-Turin-Milan-Verona-Padua/Venice-Trieste/Koper- Ljubljana-Budapest Ljubljana ⁺ /Rijeka ⁺ -Zagreb ⁺ -Budapest-Zahony (Hungarian-Ukrainian border)	By 10 November 2013

"Orient/East-Med"	CZ, AT, SK, HU, RO, BG, EL, DE*	— Bucharest ^Ω -Constanta ^Ω Bremerhaven*/Wilhelmshaven*/Rostock*/Hamburg* - Prague-Vienna/Bratislava-Budapest — Vidin-Sofia- Burgas*/Svilengrad* (Bulgarian- Turkish border)/ Promachonas- Thessaloniki-Athens-Patra* Prague ⁺ -Horní Lideč ⁺ -Žilina ⁺ -Košice ⁺ -Čierna nad Tisou ⁺ (Slovak/ Ukrainian border)	By 10 November 2013
"North Sea – Baltic" [◦]	DE, NL, BE, PL, LT, LV*, EE*	Bremerhaven/Amsterdam ⁺ /Rotterdam/Antwerp- Aachen/Berlin-Warsaw-Terespol (Poland-Belarus border)/Kaunas-Riga* -Tallinn*	By 10 November 2015
"Rhine-Danube"	FR, DE, AT, SK, HU, RO	Strasbourg-Mannheim-Frankfurt-Nürnberg-Wels Strasbourg-Stuttgart-München-Salzburg-Wels-Wien- Bratislava-Budapest-Arad-Braşov/Craiova-Bucureşti- Constanta	By 10 November 2018

¹ ‘/’ means alternative routes. In line with the TEN-T guidelines, the Atlantic and the Mediterranean corridors should in the future be completed by the Sines/Algeciras-Madrid-Paris freight axis which crosses the central Pyrenees via a low elevation tunnel.

⁺ Routes marked with ⁺ shall be included in the respective corridors at the latest 3 years after the date of establishment set out in this table. Existing structures defined under Art 8 and 13(1) of this Regulation shall be adjusted with the participation of additional Member States and infrastructure managers in the respective corridors. These inclusions shall be based on market studies and take into consideration the aspect of existing passenger and freight transport in line with Art 14(3) of this Regulation.

* Routes marked with * shall be included in the respective corridors at the latest 5 years after the date of establishment set out in this table. Existing structures defined under Art 8 and 13(1) of this Regulation shall be adjusted with the participation of additional Member States and infrastructure managers in the respective corridors. These inclusions shall be based on market studies and take into consideration the aspect of existing passenger and freight transport in line with Art 14(3) of this Regulation.

^Ω The section Arad-Bucharest-Constanta shall be transferred from the East-Med corridor to the Rhine-Danube corridor once the latter is established.

[◦] Until the realisation of a Rail Baltic line in UIC gauge, the specificities of different track gauge systems shall be taken into account in the establishment and operation of this corridor.