## Marco Polo II programme: financial assistance to improve the environmental performance of the freight transport system

2008/0239(COD) - 10/12/2008 - Legislative proposal

PURPOSE: to establish the second 'Marco Polo' programme for the granting of Community financial assistance to improve the environmental performance of the freight transport system ('Marco Polo II'), and amending Regulation (EC) No 1692/2006.

PROPOSED ACT: Regulation of the European Parliament and of the Council.

CONTENT: the Marco Polo programme is one of the instruments to reduce congestion as part of a coherent EU transport policy strategy which includes the internalisation of external costs and the use of market-based instruments to reflect the utilisation of infrastructure.

The external evaluation of the first Marco Polo programme estimates that 64% of the objective of tkm to be shifted off the road is being met. Therefore if no action is taken, in a context of decreasing proposals and successful projects, then the second Marco Polo programme will in the best case achieve the same percentage of success. This would imply missing the target of avoiding or shifting a substantial part of the estimated 60% growth of international freight transport by road, equivalent to 20.5 billion tonne-kilometres in absolute terms. This will have negative consequences in terms of additional road infrastructure costs, accidents, congestion, local and global pollution, environmental damage and unreliability of the supply chain and of logistics processes.

This rate of success is corroborated by the level of response to the second call under the second Marco Polo programme, which shows a marked decrease of the total proposed modal shift. Furthermore the new types of actions introduced by this second Programme, Motorways of the Sea and Traffic Avoidance, have not attracted enough applications (only 9% of the proposals in 2007 and 4% in 2008).

Two measures have already been taken to improve the Programme's results without any need for a change in the Regulation: the outsourcing of the management of the Programme to an Executive Agency which is expert in managing projects; and the doubling of the funding intensity for projects from EUR 1 to EUR 2 per 500 tkm shifted or avoided, so as to attract more projects.

But these measures will not be enough and a targeted revision of the Programme has been proposed, which will bring:

- a further increase in the effectiveness of the programme;
- a more balanced distribution of community support among project types;
- a substantial simplification of the legal basis and the management of the Programme;
- a significant reduction of administrative costs to manage the programme;
- a positive effect in terms of benefits for peripheral areas and non-member countries.

The proposed amendments aim to increase the effectiveness of the Programme in terms of tonne-kilometres avoided or shifted off the roads, in order to achieve the goals set in the legal basis. The specific measures intend to stimulate applications for funding by increasing participation by small enterprises, particularly the Inland Waterway Transport companies, lowering the eligibility thresholds, increasing the grant intensity and simplifying the administrative processes of the Programme.