## Programme Marco Polo II (2007-2013), financial assistance to improve the environmental peformance of freight transport

2004/0157(COD) - 14/05/2013 - Follow-up document

Article 14 of Regulation 1692/20061 provides that the Commission shall present to the European Parliament, the Council, the European Economic and Social Committee and the Committee of Regions a Communication on the **results achieved by the Marco Polo programmes for the period 2003-2010**. Its main conclusions are as follows:

The performance of the programmes was assessed in the framework of an external evaluation. For the needs of the Communication, the findings of the evaluation have subsequently been updated with additional information, including operational data obtained up till November 2012. Further, the Communication provides a general outlook on the next steps and the approach towards support for innovative and sustainable freight transport services in the period covered by the next Multi-annual Financial Framework (MFF) 2014-2020. The Marco Polo programmes were set up as funding instruments to reduce road congestion and to improve the environmental performance of the freight transport system. Unique and important features of the programme are its transparency, the precision with which results can be measured and the direct relationship between EU funding and the results obtained.

The already completed Marco Polo I programme generated around **EUR 434 million in environmental benefits**, **removing 21.9 billion tonne-kilometres of freight off European roads**. Further significant modal shift and related benefits are expected for the on-going Marco Polo II programme. However, the ambitious objectives of modal shift set by the legislator have not been fully achieved (46% of planned modal shift for Marco Polo I). Furthermore, the programmes are considered as rather complex, and in some cases not easy to be used by the European companies.

Nonetheless, it should be highlighted that Marco Polo is based on quantifiable results and payments are made almost exclusively for the modal shift actually realised. What is more, market conditions and the economic situation are important elements in determining the success of projects. Since intermodal transport solutions are more complex and difficult to implement than a pure road transportation system, the programme has been particularly sensitive to the effects of the economic crisis. Hence, Marco Polo represents a good example of efficient use of the EU funds even if the programme's objectives have not been fully met and the allocated budget has not been entirely spent.

Provision of public funding directly to the market raised also some **competition concerns** during the lifecycle of the programme. On the other hand, there was **no clear evidence about any significant adverse competition effects of financed projects**.

Marco Polo is currently the only European funding instrument focused on the improvement of efficiency of freight transport. Therefore continued support is considered useful and appropriate. However, any new scheme supporting sustainable freight transport services will need to **reflect on the lessons learnt from the previous programmes**.

## **Next steps:**

- **Transport policy context:** in March 2011, the Commission issued White Paper on Transport. Amongst the main targets for the EU transport policy are: deployment of clean fuels, optimisation of the

performance of multimodal logistic chains and use of more energy-efficient modes, increasing the efficiency of transport and of infrastructure use and the development of information systems and market-based incentives. The <a href="mailto:new Trans-European Transport Network guidelines">new Trans-European Transport Network guidelines</a> (TEN-T) adopted by the Commission in October 2011, will provide main framework to achieve the transport policy objectives as specified in the 2011 White Paper.

For the Multiannual Financial Framework (MFF) 2014-2020, the Commission proposed two pillars to be retained for the provision of financial aid to EU transport policy.

- An infrastructure pillar will be covered within the <u>Connecting Europe Facility</u> (CEF). Within its transport component, the CEF is foreseen to upgrade Europe's transport infrastructure, build missing links and remove bottlenecks. Since funding will be concentrated on transport modes that are less polluting, broader deployment of telematics applications and use of innovative technologies, it will push the European transport system to become more sustainable.
- **An innovation pillar** will be implemented by relevant parts of the <u>new research and innovation</u> <u>programme</u> (Horizon 2020).
- Support for the innovative and sustainable freight transport services policy approach: with the objective of improving efficiency and sustainability of European freight transport and logistics, the Commission proposes a new approach in support of the freight transport services in the period 2014-2020. Based on the achieved results and taking account of the evolving policy context, the Marco Polo II programme will be discontinued in the current form. Instead, a follow-up of Marco Polo will be integrated within the revised TEN-T programme and implemented using funding instruments provided by the CEF. This approach will lead to a harmonised and coordinated implementation of the European transport policy. In this context, the follow-up of Marco Polo will contribute in particular to the efficient management and use of the transport infrastructure, allowing deployment of innovative and sustainable freight transport services on the multimodal core network, which is supposed to serve the most important European traffic flows.

These services should meet the needs of their users, be economically efficient, contribute to the objectives of low-carbon and clean transport, fuel security and environmental protection, be safe and secure and have high quality standards. They need to promote advanced technological and operational concepts and contribute to the improvement of accessibility within the Union. They also should play an important role in pushing the European economy towards sustainable growth, making the freight transport and logistics sector as one of Europe's growth engines, enhancing trade and the mobility of people, creating wealth and jobs and maintaining the competitiveness of European companies.