

Trans-European networks: rules for granting financial aid

2001/0226(COD) - 21/04/2004 - Final act

PURPOSE : to establish a higher rate of Community aid to promote completion of the cross-border connections for the priority projects in the field of trans-European networks. **LEGISLATIVE ACT** : Regulation 807/2004/EC of the European Parliament and of the Council amending Council Regulation 2236/95/EC laying down general rules for the granting of Community financial aid in the field of trans-European networks **CONTENT** : This Regulation comes about as a result of concern that the delays in the cross-border sections of the priority projects on the trans-European transport network (TEN) were having an adverse effect on the profitability of the investments made by the Member States in the sections in their own country. Therefore, this Regulation establishes that the rate of Community financing shall be differentiated, according to the benefits to other countries, in particular the neighbouring countries. Such modulation will benefit the cross-border projects used by long-distance transport services. Moreover, the Community financing rate will be differentiated according to the extent to which the project's economic benefits exceed its financial profitability. The establishment of public-private partnerships (or of other forms of cooperation between the public and private sectors) demands a firm financial commitment from institutional investors which is sufficiently attractive to raise private capital. Granting Community financial aid on a multiannual basis will remove the uncertainties which are slowing down project development. Measures will therefore be taken to grant financial support to the projects selected on the basis of a multiannual legal commitment. The Regulation provides that, regardless of the form of intervention chosen, the total amount of Community aid under this Regulation will not exceed 10 % of the total investment cost. However, the total amount of Community aid may exceptionally reach 20 % of the total investment cost in the following cases: - projects concerning satellite positioning and navigation systems, as provided for in Decision 1692/96/EC; - priority projects on the energy networks; - sections of the projects of European interest, provided that the projects are started before 2010, identified in Annex III to Decision No 1692/96/EC with the aim of eliminating bottlenecks and/or filling in missing sections, if such sections are cross border or cross natural barrier, and contribute to the integration of the internal market in an enlarged Community, promote safety, ensure the interoperability of the national networks and /or strongly contribute to the reduction of imbalances between modes of transport, in favour of the most environment-friendly modes. This rate shall be differentiated according to the benefits to other countries, in particular neighbouring Member States. The legal commitment will be multiannual and the budgetary commitments will be met in annual instalments. If, 10 years after the financial aid was awarded, the operation in question has not been completed, the Commission may demand reimbursement of the aid paid. **ENTRY INTO FORCE** : 20/05/04.