Connecting Europe facility 2021–2027

2018/0228(COD) - 06/06/2018 - Legislative proposal

PURPOSE: to renew the Connecting Europe Facility for the period 2021-2027.

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

ROLE OF THE EUROPEAN PARLIAMENT: the European Parliament decides in accordance with the ordinary legislative procedure and on an equal footing with the Council.

BACKGROUND: the European Union needs modern and efficient infrastructures that contribute to the interconnection and integration of the Union and all its regions in the **transport, telecommunications and energy sectors**. Trans-European networks and cross-border cooperation are not only essential for the functioning of the single market, but also strategic for the achievement of energy unification, the completion of the digital single market and the development of sustainable modes of transport.

Since 2014, the Connecting Europe Facility (CEF) has supported investments in the trans-European infrastructure (TEN) in transport, energy and the digital sector.

Building on the positive results of the implementation of the CEF in the period 2014-2020, the Commission proposes to **extend the CEF programme** beyond 2020 with a view to accelerating investment in the field of trans-European networks and to leverage funding from both the public and the private sectors.

For the period 2021-2027, the Commission proposes to enhance the environmental dimension of the CEF, by setting the target of **60% of its envelope to climate objectives**, in line with the Union's commitments to implement the Paris Agreement, and the commitment to the United Nations Sustainable Development Goals.

CONTENT: the proposed Regulation - presented for a Union of 27 Member States - seeks to establish **the Connecting Europe Facility**. It lays down the objectives of the Programme, the budget for the period 2021-2027, the forms of Union funding and the rules for providing such funding.

The new programme shall aim to **develop and modernise the trans-European networks in the fields of transport, energy and digital** and to facilitate cross-border cooperation in the field of renewable energy, taking into account the long-term decarbonisation commitments and with emphasis on synergies among sectors.

(1) Transport sector: the facility shall contribute to the completion of both layers of the trans-European transport network: **the TEN-T core network** by 2030 and the **TEN-T comprehensive network** by 2050. It is estimated that the completion of the TEN-T core network by 2030 will generate 7.5 million job-years between 2017 and 2030 and an additional GDP increase of 1.6 % in the Union in 2030. It shall also support the deployment of **European traffic management systems for all traffic modes**, in particular for air transport and railways, and helps the EU transition towards smart, sustainable, inclusive, safe and secure mobility (for example by establishing a European network of charging infrastructure for alternative fuels). Part of the budget would be reserved for Member States eligible for the Cohesion Fund.

With a view to adapting the European transport network to military requirements and improving **military mobility** in the EU, the mechanism shall support dual-use civil and military transport infrastructure.

(2) Energy sector: emphasis shall be placed on:

- completing the trans-European energy networks through the development of projects of common interest relating to further integration of the internal energy market and interoperability of networks across borders and sectors;
- security of supply *inter alia* through the smartening and digitalisation of the infrastructure;
- cooperation between Member States on cross-border **renewable energy projects** to promote strategic uptake of marketable renewable energy technologies.

(3) Digital sector: the CEF shall support European households' access to very high capacity networks. In addition, it shall ensure that all main socio-economic drivers such as schools, hospitals, transport hubs, main providers of public services and digitally intensive enterprises have access to future-oriented broadband connections (1 Gbit/second) by 2025. It contributes to the overall connectivity of the European territories, including that of the outermost regions, to the Internet.

Actions in support of the deployment of backbone electronic communications networks, including submarine cables connecting European territories to third countries on other continents or connecting European islands or overseas territories to the mainland, shall be eligible.

The strategic objectives of the programme shall also be implemented through financial instruments and budgetary guarantees under the opportunities offered by the InvestEU Fund. Programme actions shall be used to **address market failures** or investment deficits without duplicating efforts and shall have a clear European added value.

Proposed budget: in line with the Commission proposal for the post 2020 multiannual financial framework, the Connecting Europe Facility shall be allocated EUR 42.265 billion in current prices for the period 2021-2027:

- ***Transport***: EUR 30.615 billion, of which: (i) general envelope: EUR 12.830 billion; (ii) contribution from the Cohesion Fund: EUR 11.285 billion; (iii) support for military mobility: EUR 6.5 billion.
- ***Energy***: EUR 8.65 billion;
- ***Digital***: EUR 3 billion.