

Basic information	
<b>2004/0157(COD)</b>  COD - Ordinary legislative procedure (ex-codecision procedure) Regulation	Procedure completed
Programme Marco Polo II (2007-2013), financial assistance to improve the environmental performance of freight transport	
Repealing Regulation (EC) No 1382/2003 <a href="#">2002/0038(COD)</a> Amended by <a href="#">2008/0239(COD)</a>	
<b>Subject</b>  3.20.02 Rail transport: passengers and freight 3.20.03 Maritime transport: passengers and freight 3.20.04 Inland waterway transport 3.20.07 Combined transport, multimodal transport 3.70.02 Atmospheric pollution, motor vehicle pollution 3.70.20 Sustainable development	

Key players			
European Parliament	Committee responsible	Rapporteur	Appointed
	<b>TRAN</b> Transport and Tourism	RACK Reinhard (PPE-DE)	07/09/2004
	Committee for opinion	Rapporteur for opinion	Appointed
	<b>BUDG</b> Budgets	LEWANDOWSKI Janusz (PPE-DE)	26/10/2004
	<b>CONT</b> Budgetary Control	The committee decided not to give an opinion.	22/09/2004
Council of the European Union	<b>ENVI</b> Environment, Public Health and Food Safety	The committee decided not to give an opinion.	
	Council configuration	Meetings	Date
	Transport, Telecommunications and Energy	2654	2005-04-21
European Commission	Transport, Telecommunications and Energy	2754	2006-10-12
	Commission DG	Commissioner	
	Energy and Transport	BARROT Jacques	

Key events				
Date	Event	Reference	Summary	
14/07/2004	Legislative proposal published	COM(2004)0478 	Summary	
22/02/2005	Committee referral announced in Parliament, 1st reading			
21/04/2005	Debate in Council		Summary	
22/11/2005	Vote in committee, 1st reading		Summary	
15/12/2005	Committee report tabled for plenary, 1st reading	A6-0408/2005		
16/05/2006	Debate in Parliament			
17/05/2006	Decision by Parliament, 1st reading	T6-0211/2006	Summary	
17/05/2006	Results of vote in Parliament			
12/10/2006	Act adopted by Council after Parliament's 1st reading			
24/10/2006	Final act signed			
24/10/2006	End of procedure in Parliament			
24/11/2006	Final act published in Official Journal			

Technical information	
Procedure reference	2004/0157(COD)
Procedure type	COD - Ordinary legislative procedure (ex-codecision procedure)
Procedure subtype	Legislation
Legislative instrument	Regulation
Amendments and repeals	Repealing Regulation (EC) No 1382/2003 <a href="#">2002/0038(COD)</a> Amended by <a href="#">2008/0239(COD)</a>
Legal basis	EC Treaty (after Amsterdam) EC 080-p2 EC Treaty (after Amsterdam) EC 071-p1
Stage reached in procedure	Procedure completed
Committee dossier	TRAN/6/22756

Documentation gateway				
European Parliament				
Document type	Committee	Reference	Date	Summary
Amendments tabled in committee		PE360.198	04/07/2005	
Committee opinion		PE360.048	14/07/2005	
Committee report tabled for plenary, 1st reading/single reading		A6-0408/2005	15/12/2005	
Text adopted by Parliament, 1st reading/single reading		T6-0211/2006	17/05/2006	Summary

**Council of the EU**

Document type	Reference	Date	Summary
Draft final act	03620/4/2006	24/10/2006	

**European Commission**

Document type	Reference	Date	Summary
Legislative proposal	COM(2004)0478 	14/07/2004	<a href="#">Summary</a>
Commission response to text adopted in plenary	SP(2006)2902	22/06/2006	
Follow-up document	COM(2007)0770 	05/12/2007	<a href="#">Summary</a>
Commission document (COM)	COM(2013)0278 	14/05/2013	<a href="#">Summary</a>
Commission working document (SWD)	SWD(2013)0174 	14/05/2013	

**Other institutions and bodies**

Institution/body	Document type	Reference	Date	Summary
EESC	Economic and Social Committee: opinion, report	CES0247/2005 OJ C 234 22.09.2005, p. 0019-0024	09/03/2005	

**Additional information**

Source	Document	Date
European Commission	EUR-Lex	

**Final act**

Regulation 2006/1692 OJ L 328 24.11.2006, p. 0001-0013	<a href="#">Summary</a>
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## Programme Marco Polo II (2007-2013), financial assistance to improve the environmental performance of freight transport

2004/0157(COD) - 05/12/2007

The European Commission has presented its first activity report on the implementation of the NAIADES programme. The NAIADES programme, covering 2006 to 2013, was set up to promote the use of inland waterway transport and focuses on five strategic areas:

- Improving market conditions.
- Modernising the fleet.

- Developing human capital.
- Strengthening the image of inland waterways.
- Amending the infrastructure.

Both Council and Parliament have endorsed this programme, as has industry. This Communication is the first progress report analysing both the programmes' implementation and achievements thus far. It gives an outline of the financial support offered within the context of the action programme and reports on organisational developments.

#### **Implementation of the programme:**

Since the adoption of NAIADES, four legislative acts have been approved concerning:

- technical requirements for inland waterway vessels (this creates harmonised modern requirements for inland waterway vessels covering the entire EU waterway network);
- raising the financial rate for priority projects and for RIS projects from 10 -20% and for cross-border sections up to 30%;
- the "Marco Polo II" programmes, which will continue to promote shifting modes of transport from road to other forms; and
- statistical returns in respect of carriage of goods by inland waterways.

As well as the adoption of these legislative acts, the Commission has sought to improve market conditions by, *inter alia*, producing a "Funding Handbook" the purpose of which is to list an inventory of European national and regional aid schemes. This should be of particular use to SMEs which characterise the market for inland waterways. In terms of modernising the fleet the Commission has presented proposals relating to the transport of dangerous goods (including by inland waterways) as well as proposing a reduction in the maximum permissible sulphur content of gas oils. The Commission has asked the "Central Commission for Navigation on the Rhine" (CCNR) to create a market observation instrument. Further, the Commission is hoping to establish a network of promotion centres for inland waterway transport as a way in which to improve the image of inland waterways. As far as the provision of adequate infrastructure is concerned, Mrs Karla Peijs has been appointed European coordinator with a brief to facilitate the realisation of the inland waterway priority axis Rhine/Meuse-Main-Danube and the Seine-Scheldt link. In 2007 three Regulations were adopted in relation to the River Information Services (RIS). These refer to technical guidelines for the planning, implementation and operational use of RIS; on technical specifications relating to vessel tracing systems (Inland AIS) and notices to skippers.

As for the Member States, all are actively engaged in inland waterway transport policy. Indeed one Member State has adapted a comprehensive national action programme entailing some forty measures. Other Member States are encouraging the modernisation of their fleets by offering tax-free reinvestment schemes and financial aid. Aid is given to those wishing to improve both the economic and environmental performance of their fleet such as grants for cleaner engines, more efficient propulsion techniques, new hull constructions etc. From an industrial point of view, a constructive dialogue with the social partners has emerged within the context of the NAIADES programme. Headway has been made on two major issues: sector-specific working arrangements and professional qualification requirements.

#### **Financial support programmes:**

A continuous stream of investment into logistics, fleet modernisation, human resources and the marketing of inland waters is needed. Whilst primary responsibility for this rests with industry, the NAIADES action programme acts as an incentive to further encourage investment in this sector. Within this context, the Council has asked the Commission to submit a proposal for a "European Inland Waterway Transport Innovation Fund". The European Parliament, in a Resolution on NAIADES, supported this initiative and specified that any such fund should be a key instrument of the NAIADES Action Programme. The Commission has undertaken exploratory work on the development of such a fund, in close cooperation with experts.

Any future programme of an "Innovation Fund" would target IWT carriers and operators. Industry will be encouraged:

- to establish new market and transport services in the inland waterway transport sector;
- to modernise the fleet with a view to improved safety, efficiency and higher environmental standards;
- to train and to educate those working in the inland waterway sector; and
- to improve the image of the sector with targeted public relations campaigns.

The programme would run from 2009 to 2013. Financial support for inland waterway services would also be available, in parallel, with the Marco Polo programme for improvements under TEN-T; the Cohesion policy and the RT&D framework programme. Funding for this new instrument, could derive from the existing "Inland Waterway Reserve Fund" created under Regulation (EC) 718/1999 though to use it would require the creation of a new legal instrument. The report estimates that the reserve fund amounts to approximately EUR 40 million in today's figures.

#### **Modernising the organisational structure:**

The Commission has undertaken an impact assessment regarding the future modernisation of the inland waterways structure in which four options were considered. This study concluded that, even though the current framework may have its shortcomings, no clear advantage would be gained should a new legislative system be adopted. Thus, the report concludes, it is preferable to continue operations under the existing institutional framework and to improve, modernise and coordinate working methods wherever possible. The Commission does not propose the creation of additional structures to the existing institutional framework. For strategic policy developments the European Commission will continue to play a coordinating role.

#### **Conclusions:**

The report concludes by noting that in spite of the fact that NAIADES has only been operational for a year and a half the inland waterway infrastructure has already been strengthened. The Commission remains committed to the completion of the programme and fully intends to maintain momentum. Thus, within the coming years the following will be prioritised:

- **Funding:** completion of the “Funding Handbook” and the possible compilation of “State aid guidelines”.
- **The human factor:** a cluster of actions will focus on the human factor including specific working time arrangements; defining professional qualification requirements at an EU level; the harmonisation of minimum manning requirements; and the development of a uniform boat master’s certificate.
- **Improvements to the infrastructure:** in addition to the implementation of the RIS, an indicative development plan to improve and maintain inland waterways and ports will be elaborated. This exercise will take account of environmental issues and it will build upon the ongoing dialogue between the international navigation and protection commission for the Rhine and the Danube.
- **Organisational support:** to help support implementation of NAIADES, the Commission will look for support from all interested parties; from the Member States; from the river commissions and from industry. This could take the form of an “IWT think tank”. Calls for proposals under the RTD 7<sup>th</sup> framework programme could also help facilitate this initiative by, for example, supporting actions designed specifically to target inland waterway transport.

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

2004/0157(COD) - 24/10/2006 - Final act

**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 repealing Regulation 1382/2003/EC.

**LEGISLATIVE ACT:** Regulation 1692/2006/EC of the European Parliament and of the Council establishing the second ‘Marco Polo’ programme and repealing Regulation 1382/2003/EC.

**CONTENT:** the Council adopted a Regulation establishing the second Marco Polo programme for the granting of Community financial assistance to improve the environmental performance of the freight transport system.

The Marco Polo II programme covers the period 2007-2013 and amounts to an expanded version of the first programme. As compared to the first programme, its geographical coverage is broader and it proposes two new types of action: motorways of the sea and traffic avoidance actions.

The programme is aimed at enhancing intermodality, reducing road congestion and improving the environmental performance of the freight transport system within the EU.

To achieve this objective, the programme will support actions in the freight transport, logistics and other relevant markets, taking into account the needs of small and medium-sized enterprises. It will help to shift at least the expected aggregate increase in international road freight traffic, measured in tonne-kilometres, to short sea shipping, rail and inland waterway transport or to a combination of modes of transport in which road journeys are as short as possible.

The five types of actions eligible for financing under the Marco Polo II programme are the following: catalyst actions, motorways of the sea actions, modal shift actions, traffic avoidance actions and common learning actions.

As regards state aid, Community financial assistance for the actions covered by the Programme shall not prevent those actions from being granted State aid at national, regional or local level, insofar as such aid is compatible with the State-aid arrangements laid down in the Treaty and within the cumulative limits established for each type of action. The total aid granted in the form of State aid and Community financial assistance in respect of ancillary infrastructure shall not exceed 50 % of eligible costs.

The general level of contract value and traffic shift thresholds are set at EUR 2 million per catalyst action, at EUR 2,5 million for motorways of the sea action, at EUR 0,5 million for modal shift action, at EUR 1 million for traffic avoidance actions and EUR 250 000 for common learning actions.

The financial envelope allocated to the programme is set at EUR 400 million (at 2004 prices).

**ENTRY INTO FORCE:** 14.12.2006.

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

2004/0157(COD) - 17/05/2006 - Text adopted by Parliament, 1st reading/single reading

The European Parliament adopted a resolution drafted by Reinhard RACK (EPP-ED, AT) which includes a series of compromise amendments negotiated between the main political groups, and on which an agreement has been reached with the Council and Commission. The main changes compared with the Commission’s initial proposal concern the budget allocated to the programme. Following the agreement on the 2007-2013 financial perspective, the programme’s budget will be EUR 400 million and not 740 million as proposed by the Commission. This amount is based on 2004 figures and shall be subject to technical adjustment to take account of inflation. Other amendments lower the project subsidy thresholds proposed by the Commission as a means of facilitating the participation of small and medium-sized enterprises, and place greater emphasis on sensitive regions. There is in general a clear emphasis on the needs of SMEs in the amended version as opposed to the initial proposal.

The main amendments are as follows:

- Actions should not cause distortions of competition, in particular, between modes of transport other than road transport or within each alternative mode, to an extent contrary to the common interest. Special care should be taken to avoid such distortions, so that actions contribute to shifting freight from road transport to alternative modes, rather than withdrawing freight from an existing rail, short sea shipping or inland waterway service.

- Special attention should also be paid to sensitive and metropolitan areas within the geographic scope of the Programme when allocating funding.

- Financial assistance shall be based on contracts to be negotiated by the Commission and the beneficiary. The terms and conditions of those contracts shall, as far as possible, keep financial and administrative burdens to a minimum, for example by facilitating business-friendly bank guarantees, contemplated by applicable rules and regulations, especially the Financial Regulation, so as to achieve maximum administrative efficiency and flexibility.

- The Programme shall be subject to both mid-term and final evaluations in order to assess its contribution to the objectives of Community transport policy and the effective use made of the appropriations.

- In the case of a transport link with a close third country, projects may in exceptional cases, be submitted by one undertaking of a Member State.

- A number of amendments sought to reduce the minimum subsidy thresholds for the various categories of actions, thereby enabling more SMEs to participate. The minimum indicative subsidy threshold per MoS (Motorway of the Sea) action will be 1.25 billion tonne-kilometres or its volumetric equivalent of modal shift or, in proportion to the indicative amount per euro of subsidy, EUR 250million. The Commission had proposed 2 billion tonne-kilometres of modal shift or, in proportion to the indicative amount per euro of subsidy, EUR 4 000 000. The minimum indicative subsidy threshold per modal shift action will be 250 million tonne-kilometres or its volumetric equivalent of modal shift or, in proportion to the indicative amount per euro of subsidy, EUR 500 000. The Commission had proposed 500 million tonne-kilometres of modal shift or, in proportion to the indicative amount per euro of subsidy, EUR 1 000 000. The minimum indicative subsidy threshold per catalyst action will be EUR 2 000 000 (as opposed to EUR 3 000 000).

- Community financial assistance for traffic avoidance actions must not be used to support business or production activities which bear no direct relation to transport or distribution.

- The exchange of best practice should be encouraged.

- If the results of the ex-post evaluation of the 'Marco Polo I' programme reveal a need to adjust the programme, provision should be made for the Commission to submit proposals accordingly.

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

2004/0157(COD) - 21/04/2005

Pending the first reading in the European Parliament, the Council1 unanimously adopted a partial general approach on the proposal for a Regulation establishing the second "Marco Polo" programme (2007-2013) for the granting of Community financial assistance to improve the environmental performance of the freight transport system. It is a partial general approach because the Council will not adopt a decision on the budgetary envelope for the programme until a decision has been taken on the financial perspective for the period 2007-2013.

The Council agreed to alter the general level of contract value and traffic shift thresholds as follows:

- Catalyst : EUR 2 million (EUR 3 million proposed by the Commission) ;
- Motorways of the sea : EUR 2,5 million; EUR 1,25 billion tonnes/km (EUR 4 billion and EUR 2 billion tonnes/km proposed by the Commission);
- Modal shift : EUR 0,5 million; 250 000 tonnes/km (EUR 1 million and 500 000 tonnes/km proposed by the Commission);
- Traffic avoidance : EUR 1 million; 500 000 tonnes/km (no changes);
- Common learning : EUR 250 000 (no changes).

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

2004/0157(COD) - 14/07/2004 - Legislative proposal

**PURPOSE :** to establish a financing instrument, "Marco Polo II Programme", in order to reduce congestion, to improve the environmental performance of the transport system and to enhance intermodal transport, thereby contributing to an efficient and sustainable transport system. The duration of the Programme shall be from 1 January 2007 to 31 December 2013.

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

**CONTENT :** Europe's transport system faces considerable challenges in the next decade.

The forecast increase of road freight by 2013 is more than 60% in the European Union, and a doubling is foreseen for the 10 new member states by 2020. The results are congestion, environmental degradation, accidents, and a danger of loss of competitiveness of European industry, which needs to rely, for the management of its supply chains, on cost-efficient and reliable transportation systems. In this situation, a stronger reliance on intermodality is necessary.

Responding to the big challenges mentioned above, a renewed and adapted "Marco Polo II" Programme is proposed for the next financial perspectives (2007 – 2013). Relying on the proven mechanisms of the current programme, the Commission proposes two new types of action: Motorways of the Sea and Traffic Avoidance actions. They should actually lead to a reduction in international road freight, much desired by our citizens and industrial transport users alike. Marco Polo II also enlarges the scope of the programme to all neighbours of the European Union. It stresses the role of rail freight and clarifies the scope for certain infrastructure measures.

Based on an independent ex-ante evaluation, the Commission proposes an overall budgetary envelope of 740 million EUR for the period 2007 – 2013, i.e. roughly 106 million EUR per year. This will shift more than 140 billion tonne-kilometres of freight off the road (equivalent to 7 million truck journeys of 1000 kilometres) and will reduce CO2 emissions by 8400 million kg.

In terms of avoided environmental damage and less accidents, less energy consumption and less infrastructure damage, the benefits are forecast to be about 5 billion EUR. 1 Euro subsidy given in Marco Polo II will thus generate more than 6 Euro in terms of social and environmental benefits to our society.

#### FINANCIAL IMPLICATIONS :

- Budget line and headings :
- EX-06.0207 : Programme Marco Polo;
- EX-06.01 04 01 : Programme Marco Polo – administrative management expenses;
- Period of application : 2007 – 2013.
- Total allocation for action (Part b): EUR 740 million for commitment. The decision by the legislative authority is taken without prejudice of the budgetary decisions taken in the context of the annual procedure.
- Impact on human resources : EUR 13 million in total, which is approximately EUR 1,8 million per year.

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

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

Article 14 of Regulation 1692/2006/EC 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 [new Trans-European Transport Network guidelines](#) (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 [Connecting Europe Facility](#) (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 [new research and innovation programme](#) (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.