



Paper regarding:



The process of developing and financing port development



Part of the Lo-Pinod project contribution from Port of Hanstholm.

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1. The process of developing and financing port development

New Interreg projects and funding possibilities

Transport themes and challenges:

- Enhancing regional mobility through connecting secondary and tertiary nodes to TEN-T infrastructure.
- Focus on measurable contributions to move freight off the road up to the last kilometres
- Developing environment friendly and low carbon transport systems including river and sea transport, ports and multimodal links
- SECA and technology, including intelligent use of maritime technologies
- Big ports, dryports and further short sea routes
- Transnational rail services

Consultation/major challenges

Key challenge one: Ensure that remoter parts of the programme area are effectively linked up to core European networks and Co-modal links to the core TEN-T network.

Key challenge two: Support the expansion of effective multimodal transport alternatives in the programme area and assist them in increasing freight flows. More freight on more sustainable alternatives

Key challenge three: Support the introduction and take up of new, cleaner transport technologies and solutions. The use of cleaner technologies (electricity, gas, others) to go hand in hand with competitiveness of the extensive transport sector in the region



2. Funding opportunities for regional ports

The upcoming Interreg V b programme seems to be the most relevant for regional ports, as it has its focus not only on core and comprehensive network but also on regional ports. This has been underlined by the representatives for the programme secretariat at the partner search meeting in Ghent in September 2014.

New projects in the period 2015- 2020 must be new i.e. not a mere extension of old ones. Knowledge and experience from IV b projects shall of course be included, but project ideas must be new and in line with the new project guidelines

For most regional ports Interreg projects will be the most relevant and sometimes also the only way to find new internationally based project funding possibilities. One should focus on a quadruple helix approach including authorities, knowledge institutions and business.

3. Connecting Europe Facility (CEF)

The Connecting Europe Facility (CEF) is a genuinely European instrument aimed at supporting the development of high-performing, sustainable and efficiently interconnected trans-European networks in the field of energy, telecommunications and transport.

The CEF transport part is mostly (but not only) directed towards infrastructure on the core- and comprehensive network including ports. This goes especially for the so called Multi Annual Programme (MAP), which also holds the largest amount of funding.

Funding possibilities within CEF

In the context of the financial framework (MFF) 2014 - 2020, the CEF has an overall budget of €26 billion to invest in those fields. For the same period CEF investments will in particular focus on projects with high EU added value, such as building missing cross-border links and removing bottlenecks along main trans-European transport corridors. By improving links between different parts of the EU, it will become easier exchange goods and people with each other.



CEF and the transport network (TEN-T)

For transport infrastructure, CEF makes €26 billion available. This triples the financing currently available to support the new TEN-T core network development.

80 to 85% of CEF financing will be used to support:

- Core network projects: priority projects along the 9 implementing corridors on the TEN-T core network. Funding will also be available for a limited number of other sections projects of high European added value on the core network.
- Horizontal projects: mostly IT related, such as SESAR (the technological dimension of the Single European Sky Air Traffic Management System), or ERTMS (the European Rail Traffic Management System), both essential elements of all transport corridors in the EU.

The funding is divided into two streams. Funding for major projects mostly related to the core network. 11 billion Euro is designated to these projects in the first call (launched on the 11. of September 2014) in the Multi annual call stream (MAP). App. 4 billion of these 11 billion Euros, are placed under the Cohesion envelope (new EU countries). Another 6 billion Euros are earmarked for projects on the Core network, projects focusing on rail interoperability and European rail Traffic Management Systems (ERTMS). 750 million Euros are reserved to other project including MoS, new technologies, multimodal platforms etc.

For minor projects especially studies, the annual call Stream (AP) is more suitable. This stream is also more directed towards regional ports. For the first call 0.9 billion Euros is reserved for:

- Removing bottlenecks and bridging missing links
- Ensuring sustainable and efficient transport in the long run
- Optimising the integration and interconnection of transport modes and enhancing interoperability, safety and security of transport.

With particular focus on "connections to and development of multimodal logistics platforms" 10 million Euros are reserved. This part can be suitable for regional ports.

Both with respect to projects within the multi annual call and the annual call, a lower limit of 500.000 Euros in EU support for studies and 1.000.000 Euros for work should be observed.



With a grant percentage varying between 20- and 50 this means. That the project size should at least be 1 mio Euro (studies) and 5 mio. Euro (works).

*Such limits might prevent smaller entities like regional ports from applying for funding.

One possible way of getting around this is by having more ports working together. The MoS Projects (Motorways of the Sea) within the MAP programme opens a number of possibilities for funding within hinterland connections, freight villages (intermodal terminals), shore side electricity and reception facilities (scrubber residues). But such projects demands at least two ports in two EU countries one of them being a core port.

* Be aware of particular rules for private undertakings



4. Horizon 2020 - The new EU framework programme

Important areas are:

- Resource efficiency
- Improved mobility
- Global management of European transport industry
- Socio- economic analysis

Project types:

- Large projects with 3 or more partners. Traditional tender process.
- SME instrument actions (6 month/50.00 Eur. lump.sum) for small projects

Horizon 2020: Mobility for Growth

Waterborne:

- Deep sea
- Coastal shipping
- Inland waterways

Logistics:

- Improved supply chain

Infrastructure:

- Improved performance, robustness and efficiency of infrastructure for all modalities

Regional ports can take part in living lab situations based on earlier Interreg projects.

5. How to build up new projects

- EU 2020 and 2050 relevancy (fossil free society) and “close to the market” projects.
- Not focus on inventing things, but on “how to use”
- Focus on core (comprehensive) networks and big units are a challenge. How do smaller ports relate to this?
- Interreg is still promising, with a strong focus on cleaner transport solutions as well as sea based solutions. Especially priority 4 seems promising, and perhaps the only EU funding possibility for regional ports
- Horizon 2020 might become very promising, especially the “bottom up” facility for testing new ideas and concepts
- CEF is challenging with respect to which types (size) of ports can take part and the minimum threshold value of projects

Lo Pinod partner experiences with EU funding

- Questionnaire have been circulated by Port of Hanstholm in spring 2014
- Details have been reports in separate report autumn 2014

6. Conclusions and recommendations

- For regional ports the new Interreg programme seems to be the most promising with respect to possible project funding. But projects should be very concrete and have visible effects within the region*
- CEF and Horizon 2020 can be an option but is much more demanding. Especially for CEF, a close relationship with core ports are often needed, especially within the projects under the MAP programme
- Partners seem to have had most positive results with Interreg projects- and funding. This goes especially for the smaller ports.

* Private ports should check state aid rules