

Interinstitutional files: 2018/0228 (COD)

Brussels, 05 June 2018

WK 6819/2018 INIT

LIMITE

TRANS
FIN
CADREFIN
POLGEN
REGIO
ENER
TELECOM
COMPET
MI
ECO
CODEC

## WORKING PAPER

This is a paper intended for a specific community of recipients. Handling and further distribution are under the sole responsibility of community members.

#### **MEETING DOCUMENT**

From: To:	General Secretariat of the Council Working Party on Transport - Intermodal Questions and Networks
Subject:	TTE Council on 7 June 2018 - Ministerial lunch debate Financing of infrastructural projects in the EU and in the Western Balkans region

Delegations will find in annex the topics relating to the Ministerial lunch debate which takes place at the TTE Council on 7 June 2018.

# Financing of infrastructural projects in the EU and in the Western Balkans region

## **Streamlining the investment process**

We are fully aware of the difficulties related to financing of transport projects. We should acknowledge that transport projects deliver high EU value and therefore should be further supported as we believe that public financing cannot be displaced by private sources in most of the cases.

In order to streamline the investment process I would like to focus on the following key needs for:

- One **single preparatory instrument** for project preparation, ideally placed at national level (in an operational programme), covering all types of potential projects i.e. funded under ESIF, CEF; other public sources;
- Strengthen all elements of the project cycle i.e. EU to provide continuous support for administrative capacity and strategic development actions;
- Guarantee for **quality of preparatory activities** Commission services to be involved at the earliest possible stage of project preparation, if needed. This is particularly valid for issues such as interoperability, environmental impact assessments, and state aid aspects;
- **Encourage cross border projects** via specific technical assistance support implemented in parallel in all concerned countries i.e. support via EIB/Jaspers.
- Consider **higher co-financing rates** in case of complex (synergy) projects, projects focused at key priorities such as decarbonisation, digitalization, core network projects, etc.
- Secure the implementation of projects that go beyond a programming period i.e. to introduce across all EU funding instruments the option to phase projects, including the projects under CEF 1.
- Introduce some level of flexibility when implementing transport projects i.e. amendments of grant contracts in case of difficulties.

### **Western Balkans Connectivity**

The development of a coherent and seamless transport network across Europe and its neighboring regions is a significant challenge and a great opportunity for us. It requires not only huge financial resources but also good coordination in order to reach and implement the necessary interoperability, common standards and procedures. It is a chance to deepen our cooperation and develop new level of partnership that would facilitate trade, support research and development, create new job opportunities and increase the economic growth in general.

In February this year, we reviewed the investment needs of the South-Eastern European countries related to the development of their transport infrastructure. The total amount of transport investments that should be made until 2030 in that region is more than 73 Billion  $\epsilon$ . In particular, the investments necessary for the development of the transport infrastructure along the "core" TEN-T network on the territories of the Western Balkans 6 countries is estimated to be 20,6 B  $\epsilon$ . It is very difficult these huge investments to be ensured by the national budgets and we believe the EU will support the countries in their ambition to construct an integrated and interoperable infrastructure network in the region.

The success of our efforts to boost transport infrastructure investments will rely on our ability to clearly identify the needs, set clear priorities, and deliver the pipeline of projects to be implemented until 2030. In the forthcoming negotiations for the next Multiannual Financial Framework we should do all we can in order to ensure an adequate financing for EU transport infrastructure to further support the better connectivity along the Trans-European transport network.

From our point of view, it is very important the links connecting Bulgaria with Serbia and Macedonia to be constructed and included in the core network corridors (Orient/East-Med and/or Mediterranean) in order to ensure continuity of the transport network in South-East Europe region.