



# CEF Blending Facility

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## Blending - Rationale

- **Simplify access to EU financing** for potential project beneficiary interested in attracting market-based financing but in need of support through grants or financial instruments.
- Supporting **projects which need a grant support because of limited financial viability**, but have the potential to attract market-based financing.
- **Align the grant decision and management process** in a way better attuned to the life-cycle of projects: under the facility, projects will apply when ready (e.g. after banks due diligence) on **a rolling basis (as opposed to fixed deadline under calls)**.
- Increase the certainty on the financial solidity and financial readiness of projects through **bank co-financing and backing of a project into the project design, and ensuring implementation in time and budget.**



## 2017/18 CEF Blending Call Status

- **For both cut-off dates:**

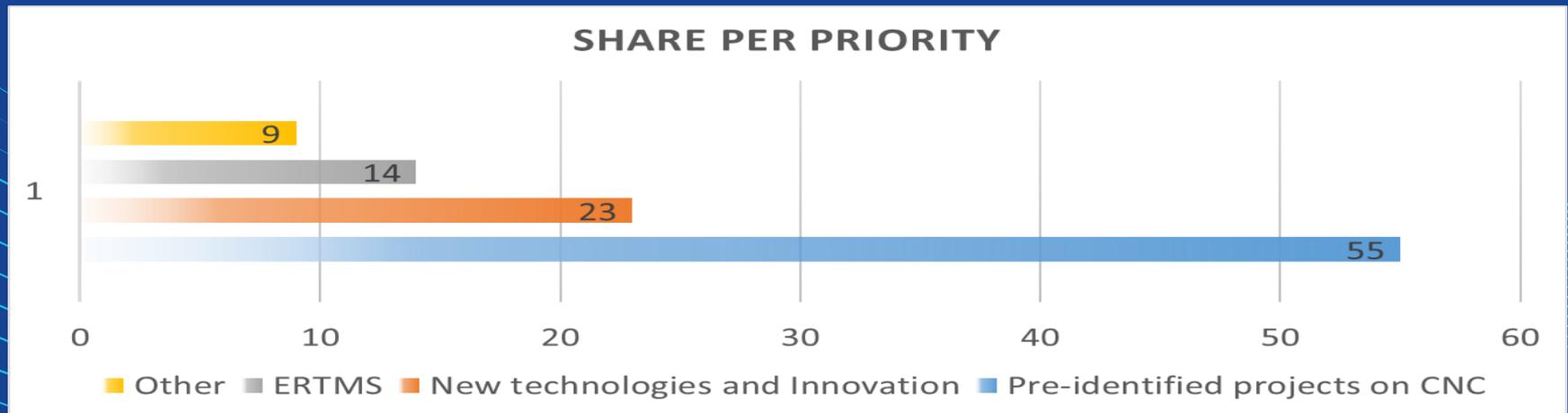
**72** Actions - CEF funding: **1.4b€** - total investments: **8b€**

- **For the 1<sup>st</sup> cut-off date:**

**33/39** Actions reached financial close *within 1 year after GA signature* - CEF funding: ~**980 M€** (6 terminations ~ 34 M€)

- **For the 2<sup>nd</sup> cut-off date:**

*Period of 12 months after GA not yet finalized*



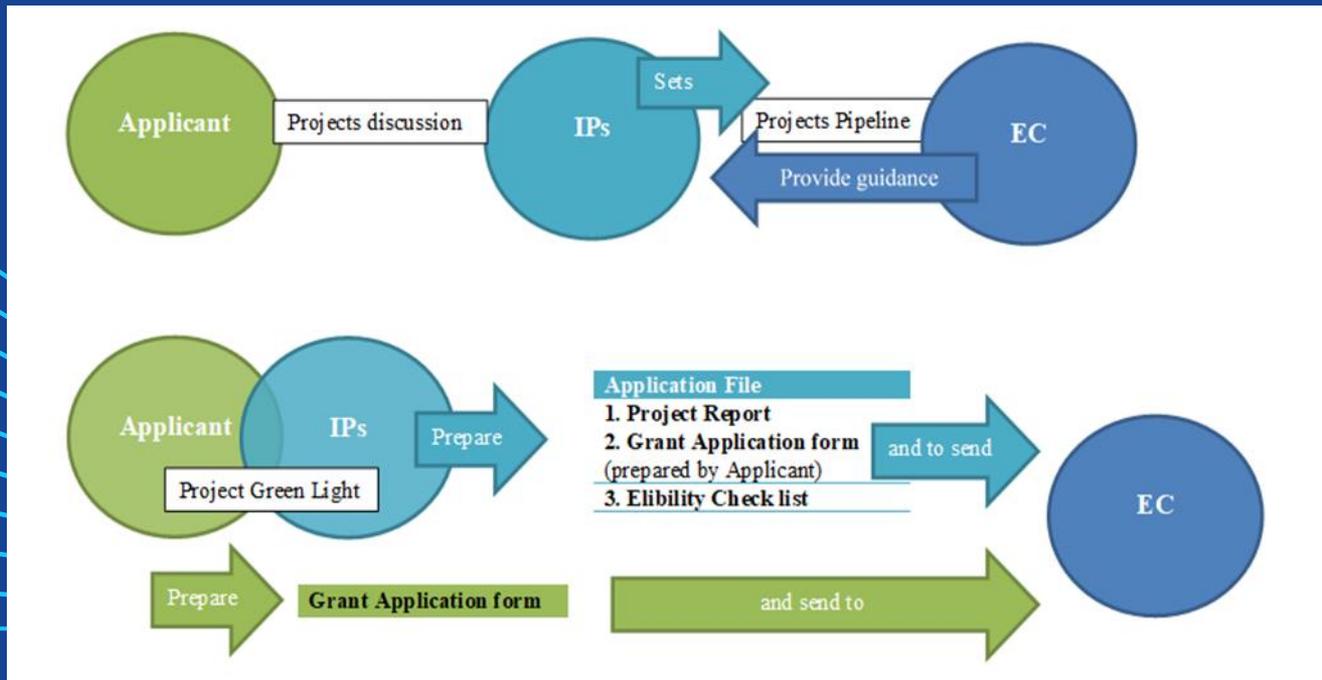
## Blending Facility: features and process

### Budget :

- **EUR 99 M ERTMS** (unit contributions)
- **EUR 99 M Alternative fuels** (co-funding rate)

### Threshold Blending Operation:

- **CEF grant** of min **EUR 1 M**
- **IP Loan** of min **EUR 5 M**





# Blending Facility

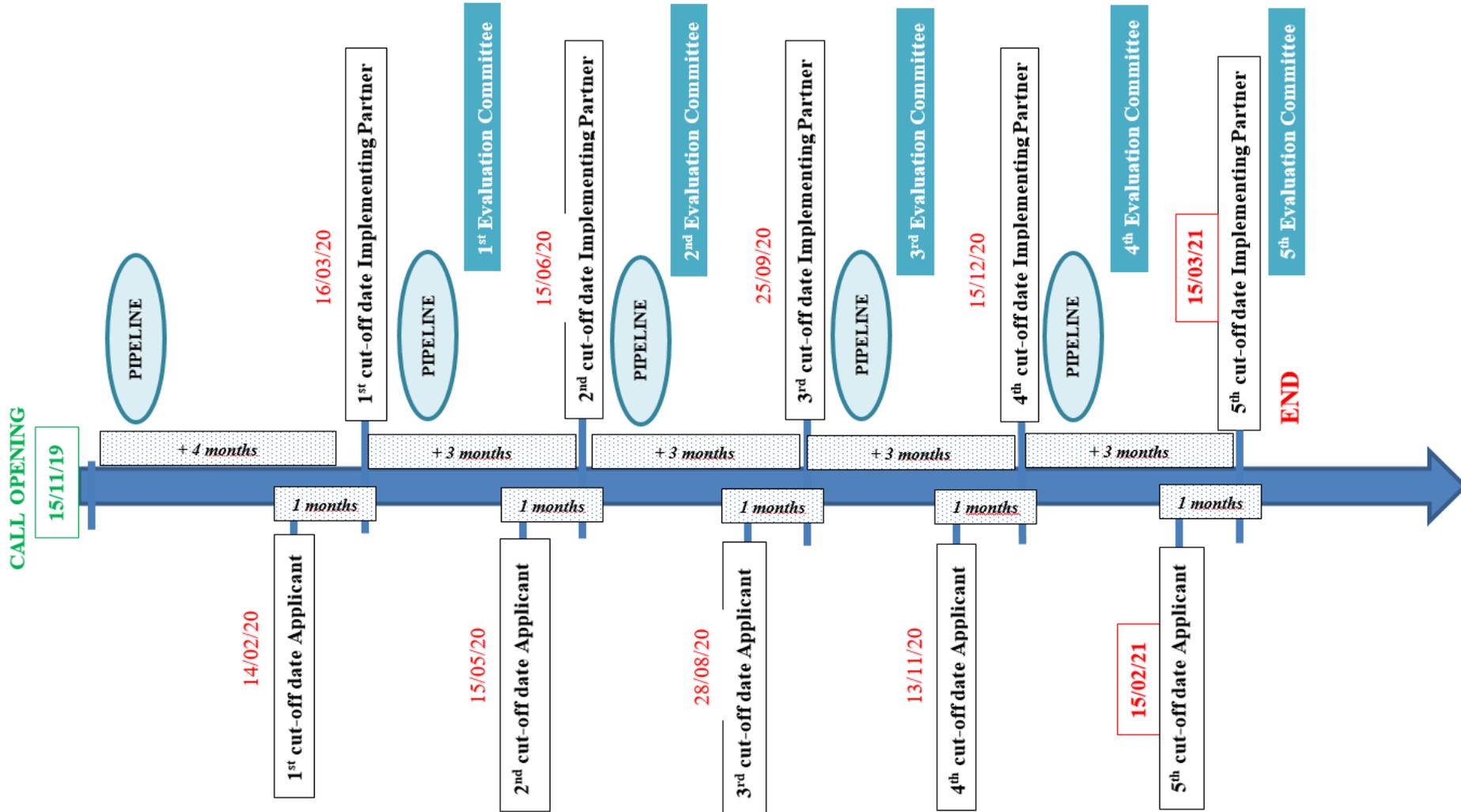
- First cut-off dates:
  - **14 February 2020** : Submission of Grant Application forms  
→ **by Applicants**
  - **16 March 2020** : Submission of Application Files  
→ **by Implementing Partners**
- Implementing Partners: **EIB, but other Implementing Partners available soon**
- **Advisory opportunities** through the European Investment Advisory Hub (EIAH)

Call text published at :

[https://ec.europa.eu/inea/sites/inea/files/2019\\_cef\\_transport\\_bf\\_call\\_text\\_final.pdf](https://ec.europa.eu/inea/sites/inea/files/2019_cef_transport_bf_call_text_final.pdf)



# Blending Facility: timeline



## Priority 1 - Alternative fuels

Type of Alternative Fuel technology	Infrastructure	Mobile assets		
		Trucks and buses	Vessels	Railway vehicles
<b>CNG</b>	10%	10%	/	/
<b>LNG</b>	10%	10%	15%	/
<b>Electricity</b>	15%	20%	20%	/
<b>Hydrogen</b>	20%	20%	20%	20%

- **Mobile assets:** co-funding rates apply only to the **eligible costs** understood as the difference between the costs of a conventional solution and the costs of the innovative technology solution.
- **LNG trucks:** the grant amount shall not exceed EUR 3000 per vehicle.
- **Dedicated electric charging infrastructure for the use of battery-electric buses in public transport,** the co-funding rate is set at **20%** of the eligible costs.
- **LNG vessels in inland navigation:** the co-funding rate is set at **20%** of the eligible costs.

## "Ideal" proposals



- The deployment of **zero-emission buses** and related **charging/filling infrastructure** in a public transport network.
- The integration of **publicly accessible recharging points** (for LDVs and/or HDVs) in a multi-modal hub in a TEN-T urban node
- The deployment of **zero-emission inland waterways/maritime vessels** and related infrastructure

## what will NOT be funded



- Private recharging/refilling infrastructure that is not publicly accessible 24/7.
- Recharging infrastructure which does not allow ad-hoc payment solutions (i.e. chargers that are only accessible via e.g. a subscription)
- Retrofitting of LDVs and coaches

## Priority 2 - ERTMS unit contribution

Outputs	Activities	Sub-activities	Categories of vehicle / track-side components	Sub-categories	Unit Contribution (k€)
<b>On-board ERTMS B3 equipped vehicle</b>	Retrofitting of vehicle	Prototype	International	/	900
			National	/	450
		Serial	International	/	110
			National	/	80
	Upgrade of vehicle	Prototype	International	/	600
			National	/	350
		Serial	International	Software	18
			National	Software	15
			International	Software & hardware	55
			National	Software & hardware	55
Fitment of vehicle				25	
<b>Track-side 1 double track km equipped</b>	Deployment		ETCS & associated upgrade costs		90
			GSM-R		20
			Interlockings		80
	Upgrade		/		20

### Eligible actions:

- On-board: Proposals addressing the fitment, retrofit or upgrade of vehicles with ERTMS baseline 3
- Trackside: ERTMS B3 installation or upgrade, and associated works on interlockings

### Unit contributions, derived from unit costs, approach to:

- simplify planning, administration and execution of ERTMS grant provision
- Allow early certainty on levels of CEF grant support to be provided

## "Ideal" proposals



- Baseline 3 (B3 3.4.0 / 3.6.0) compliant
- Results sharing (prototypes)
- Comprehensive application with ERTMS specific information (Call text)

## what will NOT be funded



- pre-Baseline 3 deployment
- Uncertain NoBo subsystem verification (e.g. Intermediate Certificate)



# Blending Facility - Evaluation

- The Commission will set up an Evaluation Committee to evaluate the Application File submitted by the Implementing Partners.
- The Evaluation Committee will meet every quarter after the cut-off dates, to examine the submitted Application Files.
- The Commission will check: i. the eligibility of the Action on the basis of the Eligibility Check List and ii. the following selection criteria: financial and operational capacity of the Applicant, taking into account the Project Report
- Taking into account the Application File, the evaluation is based on the following award criteria: Contribution to TEN-T policy priorities ;
- In addition, the Commission shall, as appropriate, take into account the following award criteria: maturity based on the expected timing of the end of works; the budgetary constraints; the promotion of geographical balance and; the degree of participation of private sector investors in the financing of the project potentially supported by a Blending Operation.





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  - the degree of participation of private sector investors in the financing of the project potentially supported by a Blending Operation.

# Advisory Hub offer of support to CEF Transport Blending Facility applicants



High level advice on **existing project documentation** regarding suitability/eligibility/maturity for the Blending Facility.



Introduction to **EIB lending operations**



Identification of **major gaps** and areas requiring improvement in:

- **technical preparation** - feasibility studies, market studies, economic cost-benefit analysis, environmental documentation, tendering and procurement, implementation and organisational
- a **first review of PPP readiness** where applicable and
- **financial preparation** - business plan, financial plan



Advice on **terms of reference** for consultants/studies in relation to **technical, financial, procurement** and organisation to implement projects and improve access to finance



# THANK YOU FOR YOUR ATTENTION

**MORE INFORMATION AVAILABLE AT**

<http://ec.europa.eu/transport>

<http://ec.europa.eu/invest-eu>

<http://www.eib.org/invest-eu>

<https://ec.europa.eu/inea>

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# Background

# CEF Blending call

## Examples of projects selected

- **EUROP-E: The European Ultra-Charge Roll Out Project** will roll out a pan-EU network of 340 Ultra-Charging (UC) stations in 13 EU countries. EUROP-E is driven by OEM. EUR 40 million CEF's to leverage investment of EUR 200 million. The project is supported by the EIB.
- **The Central European Ultra Charging project**, promoted by the power utilities will deploy and operate a network of 118 Ultra-Fast Charging Stations in Central Europe. EUR 13 million CEF's contribution will leverage investment of EUR 67 million. The project is supported by a commercial bank and a National Promotional Bank.
- **The MEGA-E: Metropolitan Greater Areas project**, promoted by an infrastructure service provider, will introduce 39 multi-modal e-hubs in 10 major cities in Europe. E-hubs will enable ultra-charging and/or inter-modality with e-taxi, e-car sharing, e-logistics or e-buses. EUR 30 million CEF's to leverage investment of EUR 150 million. The project is supported by the a consortium of private banks.

# CEF Blending call

## Examples of projects selected

- **REMETBUS2 Rotterdam:** The action is part of a global project which aims to employ 265 Electric Buses (BEBs) and 74 charging stations, the first 2 phases the deployment of all the charging stations and 105 BEBs, will be carried out. EUR 3 million CEF's to leverage investment of EUR 42 million.
- **Zero Emission Valley:** The Action is a flagship initiative for the French region of Auvergne-Rhône-Alpes and part of France's "H2Mobilite" programme, which aims to deploy 600 hydrogen refuelling stations in the country by 2030. The Action will deploy 20 stations, out of which 15 will be supplied by onsite electrolysers. It will also procure and lease 1,000 fuel cell vehicles. EUR 10 million CEF's to leverage investment of EUR 51 million.
- **Clean buses in Warsaw:** The Action is dedicated to installing 140 charging slots, five masts with pantographs and the accompanying infrastructure in the depot to be built. It is part of a global project supported by Cohesion Funds involving the purchase of electric buses. EUR 1 million CEF's to leverage investment of EUR 6 million.

# **CEF Blending + EIB (own risk): ENEL: EV Charging Network in Italy**



- **14 000 charging stations & associated connections to the distribution grid by 2022**
- **Slow, fast and ultra-fast**
- **80% urban areas**
- **20% ultra-fast in extra urban areas & motorways**
- **Loan EUR 115m**
- **Project costs EUR 231m**

# **CEF blending + EIB (EFSI + equity): Allego: EU wide (now in NL, DE, BE and LU)**



- **1800 charging stations**
- **& growing the company**
- **normal, fast and ultra-fast**
- **Loan EUR 40m**
- **Project costs EUR 99m**

# **CEF Blending + ESIF + EIB (own risk) loan Warsaw: Bus Fleet Renewal**

- **130 battery electric articulated buses**
- **270 CNG buses**
- **Bus depot with charging infrastructure**
- **Loan EUR 95m**
- **Project costs EUR 247m**



# **CEF Blending + CEF DI/EFSI Rotterdam - electric Buses**

- **Bus fleet renewal**
- **105 electric buses**
- **103 hybrid buses**
- **Charging facilities at depot and on-route**
- **Loan EUR 115m**
- **Project costs EUR 262m**
- **and tram & metro track renewal**

**(under approval)**

