

COMMISSION CONSULTATION QUESTIONNAIRE: Public consultation on EU funds in the area of strategic infrastructure

ORGALIME RESPONSE

Orgalime answers are highlighted in yellow

Brussels, 8 March 2018

A. ABOUT YOU

1. You are replying as an individual
 - in your personal capacity
 - in your professional capacity or on behalf of an organisation
2. Respondent's first name: Malte
3. Respondent's last name: Lohan
4. Email address: malte.lohan@orgalime.org;
5. Country of residence: Belgium
6. Your contribution
 - can be published with your personal information (I consent the publication of all information in my contribution in whole or in part including my name or my organisation's name, and I declare that nothing within my response is unlawful or would infringe the rights of any third party in a manner that would prevent publication)
 - can be published provided that you remain anonymous (I consent to the publication of any information in my contribution in whole or in part (which may include quotes or opinions I express) provided that it is done anonymously. I declare that nothing within my response is unlawful or would infringe the rights of any third party in a manner that would prevent the publication)
7. Name of your organisation:
ORGALIME-The European Engineering Industries Association
8. Is your organisation included in the Transparency Register?
 - Yes
 - No
 - Not applicable
- 8.a. If so, please indicate your Register ID number: 20210641335-88
9. Postal address of the organisation:
BluePoint Brussels, Boulevard A Reyers 80, 1030 Brussels, Belgium
10. Country of organisation's headquarters: Belgium
11. Type of organisation
 - Private enterprise
 - Professional consultancy, law firm, self-employed consultant
 - Trade, business or professional association

- Non-governmental organisation, platform network
- Research and academia
- Churches and religious communities
- Regional or local authority (public or mixed)
- International or national public authority
- Other (Please specify)

11.a. Please specify "Other"

11.b. Please specify the type of organisation

- Chamber of commerce
- Business organisation
- Trade Union
- Representative of professions or crafts
- Other (Please specify)

11.c. Please specify "Other"

11.d. Please specify the type of organisation

- Think tank
- Research institution
- Academic institution

11.e. Please specify the type of organisation

- Regional public authority
- Local public authority
- Public-private sub-national organisation
- Network of public sub-national authorities
- Other (Please specify)

11.f. Please specify "Other"

11.g. Please specify the type of organisation

- Intergovernmental organisation
- EU institution, body or agency
- National parliament
- National government
- National public authority or agency

12. How many employees does the organisation have?

- More than 250 employees (Large enterprise)
- Between 50 and 250 employees (Medium-sized enterprise)
- Between 10 and 49 employees (Small enterprise)
- Less than 10 employees (Micro enterprise)
- Self-employed (Micro enterprise)
- Not applicable

13. Please let us know whether you have experience with one or more of the following funds and programmes:

- Connecting Europe Facility Programme (CEF) - Energy
- Connecting Europe Facility Programme (CEF) - Telecom
- Connecting Europe Facility Programme (CEF) - Transport
- Galileo, EGNOS, Copernicus or Space Surveillance and Tracking

14. Please let us know to which of the following topics your replies to this questionnaire will refer:

- Transport
- Energy
- Digital
- Space

B. EU FUNDS IN THE AREA OF STRATEGIC INFRASTRUCTURE

1. The Commission has preliminarily identified a number of policy challenges which programmes/funds in this area -strategic infrastructure - could address. How important are these policy challenges in your view?

	Very important	Rather important	Neither important nor unimportant	Rather not important	Not important at all	No opinion
Promoting economic growth and jobs across the EU	X					
Transition to a low-carbon and climate-resilient economy and society	X					
Completion of trans-European networks in the areas of energy, transport and telecommunication	X					
Transition towards clean, competitive and connected transport		X				
Transition of EU energy, ensuring security of supply	X					
Implementation of the Digital Single Market	X					
Long-term sustainability of Europe's space capability						X
Development of new long-term energy sources		X				
Others (please specify)						

1.a. Please specify (200 character(s) maximum)

Creating synergies between the digital, energy and circular economy transitions, deployment of digitally enabled low carbon and resource efficiency technologies (162 characters)

2. To what extent do the current programmes/funds successfully address these challenges?

	Fully addressed	Fairly well addressed	Addressed to some extent only	Not addressed at all	No opinion
Promoting economic growth and jobs across the EU			X		
Transition to a low-carbon and climate-resilient economy and society			X		
Completion of trans-European networks in the areas of energy, transport and telecommunication			X		
Transition towards clean, competitive and connected transport		X			
Transition of EU energy, ensuring security of supply			X		
Implementation of the Digital Single Market			X		
Long-term sustainability of Europe's space capability					X
Development of new long-term energy sources			X		
Others (please specify)					

2.a. Please specify if you identified another policy challenge (200 character(s) maximum)

3. To what extent do the current programmes/funds add value, compared to what Member States could achieve at national, regional and/or local levels?

- To a large extent
- To a fairly large extent
- To some extent only
- Not at all
- Don't know

4. Please specify how the current programmes/funds add value compared to what Member States could achieve at national, regional and/or local levels. Please clearly indicate to which policies, programmes and funds your answers refer.

5. Is there a need to modify or add to the objectives of the programmes/funds in this policy area? If yes, which changes would be necessary or desirable? Please clearly indicate to which policies, programmes and funds your answers refer.

CEF falls short in promoting smart grids PCIs, especially at distribution grid level, energy efficiency and sustainability of projects, see uploaded position paper.

6. To what extent do you consider the following as obstacles which prevent the current programmes/funds from successfully achieving their objectives?

	To a large extent	To a fairly large extent	To some extent only	Not at all	No opinion
Complex procedures leading to high administrative burden and delays			X		
Insufficient administrative capacity to manage programmes			X		
Limited information about funding and selection process			X		
Lack of flexibility to react to unforeseen circumstances and to new user needs			X		
Difficulty of combining EU action with other public interventions		X			
Insufficient synergies between the EU programmes/funds	X				
Difficulty to ensure the sustainability of projects when the financing period ends			X		
Difficulty to access financial instruments to complement funding		X			
Inadequate co-financing rates					X
Other (please specify)	X				

- 6.a. Please specify if you have identified another obstacle (1000 character(s) maximum)

Regulatory barriers: Inappropriate criteria in the TEN-E Regulation for the promotion of smart (distribution) grids. The cross-border impact criterion and given 10kV or above threshold hinder the promotion of smart grids projects. Also, we observe that CEF-funded projects are often of a rather traditional and national-oriented nature, although innovation is a criterion of the CEF Regulation. Please see uploaded position paper (428 characters)

7. How could current programmes/funds be further simplified and administrative burdens for beneficiaries be reduced?

	To a large extent	To a fairly large extent	To some extent only	Not at all	No opinion
Alignment of rules between EU funds	X				
Fewer, cleaner, shorter rules			X		
More reliance on national rules			X		
Sufficient flexibility between programming periods			X		
More flexibility of resources allocation to respond to unexpected needs			X		
More effective stakeholders' involvement in the programming, implementation and evaluation		X			
Other (please specify below)	X				

7.a. Please specify if you have identified another way to simplify and reduce burdens (1000 character(s) maximum)

CEF-Energy should focus more on infrastructure modernisation, smart grids, energy efficiency and sustainability, thus funding infrastructure of the future instead of the past. EU infrastructure not only needs to be developed and interconnected, but also be deployed in the most efficient and innovative way to implement the EU's "Energy Efficiency First" principle, EU 2030 energy and climate targets, the Clean Energy Package and COP21 commitments.

- Priority for financing should be given to the sustainability criteria (art. 4 of TEN-E Regulation) throughout the evaluation and selection of PCIs and correspondent actions (studies and works)
- Energy efficiency should also be included among the award criteria for selecting PCIs and actions (studies and works) financed under CEF. Priority/strong added-value should be recognised to the energy efficiency criteria in the project evaluation process.
- For smart grids, please see uploaded position paper (955 characters)

8. How could synergies among programmes/funds in this area be further strengthened to avoid possible overlaps/duplication? For example, would you consider grouping/merging some programmes? Please clearly indicate to which policies, programmes and funds your answers refer.

1500 character(s) maximum

Too few Smart Grids (SG) projects qualify for CEF financing due to the inappropriate 10kV threshold of the TEN-E Regulation as the relevant legal basis for CEF eligible projects.

As long as SG projects fall short under TEN-E/CEF, we recommend to strive for better complementarity of CEF with EU investment programmes: they should better support investments in the modernisation of energy networks, energy efficiency & smarter technologies, in the areas of buildings, transport, energy and industry, through:

- Complementing the support for PCIs by closing the TEN-E gap for smart grids projects.
- Building electricity interconnections & electricity highways.

- Ensuring the necessary investments in a flexible European power system: storage technologies and demand side management are needed to integrate intermittent renewable energy, highly flexible power generation.

The complementarity between CEF and Horizon2020 should be further improved. While CEF supports infrastructure development and Horizon2020 funds research and innovation, the selection of CEF projects and related actions (studies and works) should rely on best practices stemming from Horizon2020 innovative projects to allow the development of a modern and efficient infrastructure network at the forefront of EU key technologies already commercially available, yet not fully deployed in the EU market due to a lack of knowledge. Please see also Orgalime response to the MFF consultation on investment, R&I, SMEs and Single Market (1500 characters)

C. DOCUMENT UPLOAD AND FINAL COMMENTS

1. Please feel free to upload a concise document, such as a position paper. The maximum file size is 1MB. *Please note that the uploaded document will be published alongside your response to the questionnaire which is the essential input to this open public consultation. The document is optional and serves as additional background reading to better understand your position.*

Orgalime Position Paper “MFF: what the EU budget on strategic public infrastructure should focus on”, 8 March 2018

2. If you wish to add further information — within the scope of this questionnaire — please feel free to do so here. *1500 characters maximum*

No doubt that administrative aspects could be reduced and more simplification of procedure is possible, but the key issue is design of the scope of programmes to support EU in the irreversible digital, energy and circular economy transitions. (241 characters)

For further information, please contact:

Sigríd Linher, Energy and Environment Director: firstname.lastname@orgalime.org

Toma Mikalauskaitė, Adviser: firstname.lastname@orgalime.org