

# CEF Annual Calls Application

UIP

Guidelines

*This UIP Guidelines should facilitate the submission of project proposals for EU funding under the Connecting Europe Facility (CEF). The guidelines have been prepared in a Q&A Format to guide members and individual Keepers through the application process. It focuses on project proposals for noise reduction.*

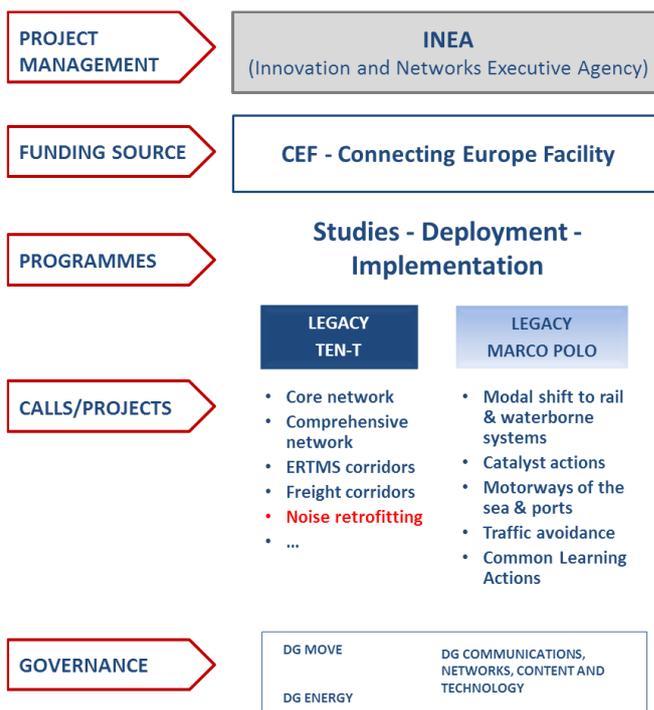
CEF, which is based on the *CEF Regulation 1316/2013*, was introduced by the European Commission under the Multiannual Financial Framework (MFF) 2014-2020 on June 29, 2011 with the aim to develop a co-financing instrument for **transport, energy, and telecommunications projects**. It defines the funding elements with the following goals:

- To accelerate investment in the field of trans- European networks and freight services
- To promote implementation, construction and retrofitting on infrastructure and rolling stock
- To leverage funding through EU Project Bond Initiatives<sup>1</sup>.

When submitting an application for EU funded projects, it is necessary to consider the process in terms of steps, timeframe and actors involved. In 2014 UIP published a brochure called **Frequently Asked Questions on EU Financing Framework** where it explains the administrative structure, the distribution of funds, and types of projects that can be funded by the EU.

Projects for noise reduction are funded under the TEN-T Annual Calls which support studies and deployment activities for the Trans European transport network. **CEF funding offers 20% reimbursement of the eligible costs for retrofitting of rail freight wagons<sup>2</sup>.**

The evaluation and selection process for project proposals is managed by the INEA<sup>3</sup> (Innovation and Networks Executive Agency), which is also responsible for awarding the funds and monitoring the realisation of the approved projects under their relevant programmes.



<sup>2</sup> To read more on CEF Transport, please visit: [http://ec.europa.eu/transport/themes/infrastructure/ten-t-guidelines/project-funding/cef\\_en.htm](http://ec.europa.eu/transport/themes/infrastructure/ten-t-guidelines/project-funding/cef_en.htm).

<sup>3</sup> To read more on INEA, please visit: [http://inea.ec.europa.eu/en/about\\_us/mission\\_objectives/mission\\_objectives.htm](http://inea.ec.europa.eu/en/about_us/mission_objectives/mission_objectives.htm)

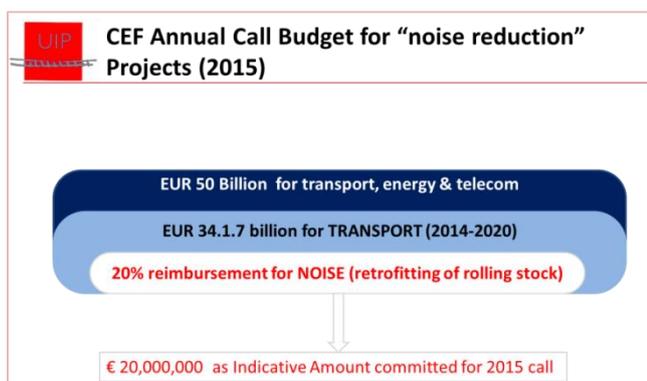
<sup>1</sup> To read more on EU project Bond initiative, visit: [http://ec.europa.eu/economy\\_finance/financial\\_operations/investment/europe\\_2020/index\\_en.htm](http://ec.europa.eu/economy_finance/financial_operations/investment/europe_2020/index_en.htm)

## What should I know when applying for projects under CEF TEN-T Annual Programme?

Taking into account that TEN-T focuses mostly on infrastructure projects, including freight corridors, your proposal should always show a link with or a justification of the added value for the rail transport network: e.g. that the wagons will be used on main freight corridors or on a cross-border corridor. **The requested EU contribution to the eligible costs should be no less than €500,000 for studies and no less than €1,000,000 for works.**

The table below shows the budget that was committed for the 2015 calls for noise retrofitting. Due to the limited funding for freight rolling stock, the EC recommends that:

- Financial instruments should address specific market needs
- Grants should be targeted at projects that receive insufficient financing from the private sector
- Private Public partnerships (PPPs) with the involvement of state and private funds are to be encouraged
- Projects with long-term commercial potential should extend their source of funding through the EIB, other institutions, Member States, and regions
- Project related to freight should involve actors such as freight forwarders
- EU added value is shown.



## Who can apply?

Applicants eligible for CEF funding can be:

- One or more EU Member States (a consortium is highly recommended)
- International Organisations, Joint Undertakings, Public or Private Undertakings, Bodies established in Member States (condition to have the agreement of the Member States concerned by the proposal)
- Neighbouring countries or entities established in neighbouring countries (condition to have the agreement of a Member State concerned by the proposal and of their national ministry (if applicable). This would be the case for CH or NO, for example.

## What is the proposed action (i.e. type of proposal)?

The proposed action is for works only. A study can also be included in addition to the described works in the form of an assessment or Cost-Benefit Analyses.

## Do I need to carry out a Cost Benefit Analyses before submitting the application?

The project proposal has to be supported with CBA analyses. These can be based either on a new analysis or derived from existing studies as referenced in Annex 1 (List of studies on noise and retrofitting). It is always useful to include references to studies on noise, including braking testing and braking performance reports. External studies or reports from brake manufacturers may also be used.

According to the EC and CEF guidelines (section 5 of the *Guide for Applicants*) a CBA must present:

- **Financial analysis:** calculations of financial profitability and financial stability of the proposed investment and its co-financing

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- **For net revenue-generating investments, identification of the "funding gap" to be addressed through CEF co-funding.** The funding gap is part of a project's costs that are not covered by revenues. Here it is useful to show the private investments, government investments, and the CEF funds allocated to make up the difference
- **Economic analysis: socio-economic valuations:** highlight the benefits linked to improved health, reduced annoyance per household. To add value to the proposal you can use the evaluation methodology from the CE delft study (see Annex 1): benefits of noise reduction EUR25 per household affected per decibel per year.

## What is the eligibility Criteria?

- Wagons authorised for operation on the EU rail network.
- Wagons have to be equipped with cast iron brake blocks.
- The Composite Brake Blocks must be compliant (TSI or UIC list).
- Wagon vehicles will be considered only.

## What is the scope? How many wagons?

Minimum 100 wagons have to be retrofitted in the projects. It is not obligatory to carry out the works in one location only. The wagons can be retrofitted in different workshop locations, as long as those are described in the proposal.

## What is the application process and how long does it take from the time the call is launched to the time the project is approved?

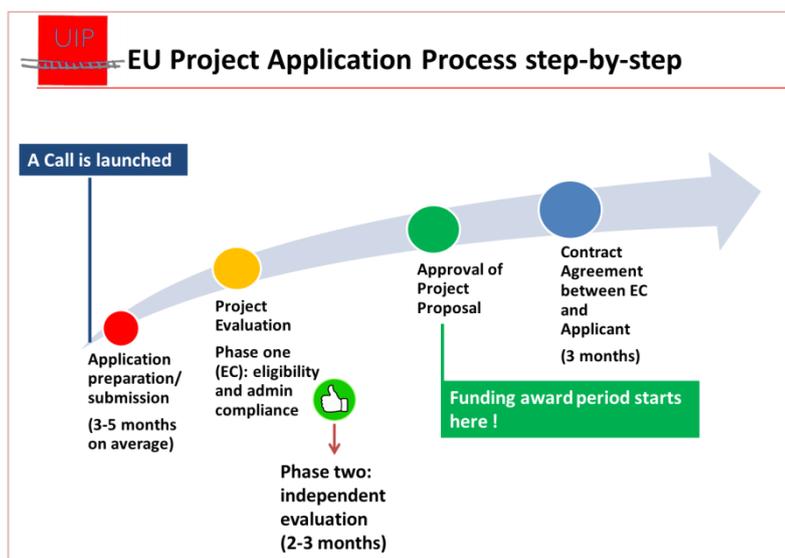
DG MOVE together with INEA defines the call

and the criteria for the project application.

Once published (usually in September), the applicants (i.e. NAs, wagon keepers or a consortium of wagon keepers) have approximately 5 months (until the end of February of the following year) to prepare and submit the application.

Once submitted, the proposals are examined and evaluated in three phases:

- **Phase one is an evaluation by the INEA on the eligibility criteria and administrative compliance.** It is important that the application (electronic and paper versions) is filled in properly, with the necessary documentation and signatures, otherwise the application will be rejected. If the application has met all eligibility and administrative criteria, it is approved and can continue to the second phase which evaluates the proposal content.
- **Phase two evaluation is carried out by independent external experts.** The evaluation process may last from 3 to 5 months. The proposal is evaluated by different external experts in order to allow for an objective evaluation. The project should fulfil four main criteria: **Relevance, Maturity, Impact and Quality.**



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- **Phase three is the final selection of successful proposals by the EC.** The EC has to inform the Members State representatives of the CEF Coordination Committee before informing the applicants.
- Once notified, the INEA and the applicant prepare a **contract agreement** which defines concretely the project plan and the budget allocation. The drafting of the contract agreement may last three months. The moment when the successful applicants are notified is also the starting date of the award period.

Projects are likely to succeed when they respect the deadline as well as the application requirements and criteria. Successful projects clearly describe:

- ✓ Planned activities
- ✓ Who will carry out the activities
- ✓ Costs
- ✓ Reasons why the proposal should be supported financially by the EU

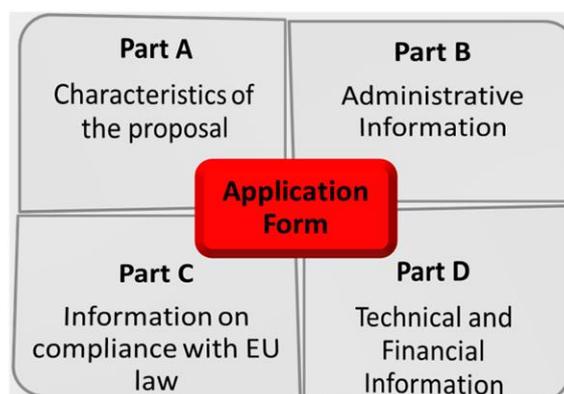
**Applications should be submitted in English language! If application is submitted in another language, an English translation must be provided!**

The application includes four main parts which require information on:

- ✓ Characteristics of the proposal
- ✓ Administrative information on operation and financial capacity of the applicant
- ✓ Compliance with EU law (considering existing EU legislation)
- ✓ Action and activities in detail and award criteria

**Part A** is submitted electronically via the so called EU TENtec eSubmission tool<sup>4</sup>. Paper version is submitted separately.

**Parts B, C, D** are submitted in original Paper Version with required signatures and stamps. Scanned Copied of the same documents are submitted in the relevant sections of the TENtec eSubmission tool.



<sup>4</sup> To use the TENtec eSubmission tool you need to register in the [ECAS \(European Commission Authentication System\)](#)

## What is in each Part?

### PART A - E-Submission: Creating the application in electronic version via TENtec tool

- **A1 - General application data:** type of proposal (studies, works, or combination of both), mode of transport, concerned network parts (corridor, country, area of use), start date and end date. This is a general description of the proposed project and may be conceived as a retrofitting activity for specific customers, specific traffics or any other criteria. Details of the activities within the project should be provided in part D.
- **A2 - Applicant (s) information and Member State Approval.** This section should include information about the legal entity, addresses, contact person, representative authorized to sign the application or any affiliated entities and involved 3<sup>rd</sup> countries (non-Member states). If there is a consortium, the selected project leader is the main contact point and so called “coordinating applicant”. If activities are carried out in several Member States (and 3<sup>rd</sup> country), only one MS needs to give its approval and sign the proposal.
- **A3 - Member State and region.** If the retrofitting activities are carried out in different locations and Member States, these should be listed here. Details on the activities can be given in Part D.
- **Milestones & activities:** the focus should be on the objectives and what will be achieved at the end (i.e. less citizen exposed to noise emissions). Defining clearly each activities/phases (i.e. delivery of wagons to workshops, retrofitting works, returning the wagons to their place of departure) and milestones will help to define later the financial needs and the associated grants.
- **Contribution to CEF objectives** (i.e. Art.4 of the CEF Regulation and TEN-T policy): it is important to make a link to the TEN-T network and Rail Freight Corridors, optimisation of rail freight services and noise reduction/reduce exposure of citizens, which are all objectives at EU level (see studies in Annex 1 and in particular EU Parliament studies). Please note that questions may vary depending on the type of proposal. Where it is not applicable, then mark N/A.
- **Information on financing**, i.e. all the sources and amount of financing dedicated for this project (state, regional, loans, grants, private, etc.). It is important to list the different sources of financing that will be used for the specific retrofitting activities apart from the requested CEF financing.
- **Eligible costs (direct costs only):** Costs can include cost for **parts**, cost for the **works** that are carried out in the different workshops, **profiling**, and **testing or project management costs**. **Transport costs** can be integrated in the calculation of works. Average costs can be given. Costs can be divided in the type of activity, i.e. activities before retrofitting (planning), activities for modifications (labour costs and materials). All relevant budgetary and funding information should be listed in the “cost” section of the TENtec eSubmission form.

### PART B - Financial Capacity Check per Applicant

The main goal is to show that the applicant is a financially stable entity, a registered firm, and able to provide general accounts and annual budget report for the last financial year for which the accounts were closed. Financial figures that are presented at annual reports are acceptable. All applicants are required to fill in [Financial Identification Form](#)

This section also requires operational capacity check, which means an evidence (ie. Information about IT systems in place, ECMs functions carried out) linked to the activities showing previous experience in carrying out similar activities (e.g. managing freight wagons from a technical point of view).

## PART C - Compliance with Union Policy and Law

- **Compliance with Union environmental law** (i.e. reduction of emissions): Important to make a link with the Environmental Noise Directive<sup>5</sup>
- **“Development Consent” by authority to carry out the action:** this can be a letter of support by the Member State or a public governmental document stating the need to retrofit. The National Contact Point<sup>6</sup> in each Member State can help you with this part.
- **Confirmation that the following legislation is taken into account:** TSI NOI, TSI WAG, NDTAC, TEN-T Regulation. Make sure that there is relevance and link to TEN-T Network, Rail freight Corridors<sup>7</sup>, contributions to multimodality, standardisation, innovation or the work programme of the European Railway Agency (ERA) or the European Commission (EC).
- The project should show **international and market potential**, i.e. promotion of rail freight services around Europe, ensuring cross-border interoperability, etc.

<sup>5</sup> Environmental Noise Directive can be found here: <http://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:32002L0049>.

<sup>6</sup> National Contact Point in each Member State can be found here [https://ec.europa.eu/inea/sites/inea/files/download/calls2014/cef\\_transport/cef\\_transport\\_contact\\_persons\\_141201.pdf](https://ec.europa.eu/inea/sites/inea/files/download/calls2014/cef_transport/cef_transport_contact_persons_141201.pdf).

<sup>7</sup> Rail Freight Corridors Regulation can be found here: <http://eur-lex.europa.eu/legal-content/EN/ALL/?uri=CELEX:32010R0913>

- References to EU (EC and EP) Impact Assessments 2007<sup>8</sup> and 2012<sup>9</sup> will bring added value to the application.

## PART D – Technical and Financial information

### This is the most important part of the proposal!

Part D should explain the project itself in details with the proposed works and activities. **The project should clearly address the following 4 main questions: why it's relevant? Is the project mature? What will be the impact? and how do you ensure the quality of the results?**

The proposal should be maximum 40 pages including annexes. In general, the project proposal should have:

- Clear objectives
- Clear deliverables
- Possible risks that may occur during the implementation of each activity during the project implementation (i.e. capacity of workshops, technical issues, ...)
- Measures that will be taken to mitigate the risks

### With regard to structure and content of the proposal it important to include the following:

- Logical and structured planning with clear list of activities and timeline for each activity. (i.e gant chart in excel format)
- An organigram and competences of the people carrying out the retrofitting and managing the project (i.e short CV of people with their technical and managerial background)
- List of wagons to be retrofitted and accompanying maintenance & technical files

<sup>8</sup> EC impact assessment on noise [http://ec.europa.eu/transport/modes/rail/studies/doc/2007\\_rail\\_noise.pdf](http://ec.europa.eu/transport/modes/rail/studies/doc/2007_rail_noise.pdf)

<sup>9</sup> EP Study on rail Noise can be found here: [http://www.europarl.europa.eu/RegData/etudes/etudes/join/2012/474533/IPOL-TRAN\\_ET%282012%29474533\\_EN.pdf](http://www.europarl.europa.eu/RegData/etudes/etudes/join/2012/474533/IPOL-TRAN_ET%282012%29474533_EN.pdf)

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(incl. details on the technology and the type of blocks used – information on authorisation, norms applied, etc.)

- List of workshops where the works will or may be carried out (incl. ISO/VPI certificates of workshops, etc.)
- A plan for the monitoring of works and where necessary auditing of workshops competences. This is intended to show credibility and conformity
- The financial and technical information that is listed for each activity should be aligned with the description of the call
- A Communication and Dissemination Plan using tools such as Website, Conference event, and Wagon Stickers (i.e. Funded by the EU)

**Finally, make sure to use at least one indicator** for every objective (based on the activity, their risks

and financial implications). Indicators should be SMART: **Specific, Measurable, Achievable, Relevant and Timebound**. (i.e. monetary/numeric measurements or graphs, number of wagons retrofitted per year/month, project backlog, resource allocation, workshops capacity, ...)

*For more information, please contact your National Contact Point or INEA Help Desk:*

[INEA-CEF-transport-calls@ec.europa.eu](mailto:INEA-CEF-transport-calls@ec.europa.eu)

[INEA CEF Guide Transport](#) –detailed guide

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## Annex 1: List of available studies on Noise (non-exhaustive)

### 1999-2008 :

- WHO Guidelines for Community Noise (191 pages): <http://apps.who.int/iris/bitstream/10665/66217/1/a68672.pdf>
- Environmental Noise Directive (END) relating to the assessment and management of environmental noise (14 pages) <http://eur-lex.europa.eu/legal-content/EN/TXT/?uri=celex%3A32002L0049>
- Report to EC: The State-Of-The-Art on Economic Valuation of Noise (68 pages) <http://ec.europa.eu/environment/archives/noise/pdf/020414noisereport.pdf>
- EC Communication on Rail noise abatement measures addressing the existing fleet (11 pages) <http://eur-lex.europa.eu/legal-content/FR/TXT/?uri=celex%3A52008DC0432>
- CE Delft: Traffic noise reduction in Europe Health effects, social costs and technical and policy options to reduce road and rail traffic noise (70 pages) [https://www.transportenvironment.org/sites/te/files/media/2008-02\\_traffic\\_noise\\_ce\\_delft\\_report.pdf](https://www.transportenvironment.org/sites/te/files/media/2008-02_traffic_noise_ce_delft_report.pdf)

### 2011-2013:

- UIP Report on “Economic Impact of New Rules and Regulations” (18 pages) <http://uiprail.org/index.php/publi/studies-reports/314-rail-freight-uip-report-on-economic-impact-of-new-rules-and-regulations-v6>
- EU Parliament: Reducing Railway Noise pollution (130 pages) [http://www.europarl.europa.eu/RegData/etudes/etudes/join/2012/474533/IPOL-TRAN\\_ET\(2012\)474533\\_EN.pdf](http://www.europarl.europa.eu/RegData/etudes/etudes/join/2012/474533/IPOL-TRAN_ET(2012)474533_EN.pdf)
- EU Parliament : Towards A Comprehensive Noise Strategy (86 pages) [http://www.europarl.europa.eu/RegData/etudes/etudes/join/2012/492459/IPOL-ENVI\\_ET\(2012\)492459\\_EN.pdf](http://www.europarl.europa.eu/RegData/etudes/etudes/join/2012/492459/IPOL-ENVI_ET(2012)492459_EN.pdf)
- UIC: Real noise reduction of freight wagon retrofitting Supporting communication on noise reduction (44 pages) [http://www.uic.org/IMG/pdf/md-af20120302\\_noise\\_reduction\\_by\\_freight\\_wagon\\_retrofitting\\_synthesis\\_report\\_update\\_18012013.pdf](http://www.uic.org/IMG/pdf/md-af20120302_noise_reduction_by_freight_wagon_retrofitting_synthesis_report_update_18012013.pdf)
- UIP position paper on Noise reduction (6 pages) <http://uiprail.org/index.php/publi/position-paper/324-uip-position-paper-on-noise-reduction-pdf>
- Royal HaskoningDHV: The real cost of railway noise mitigation: A risk assessment (79 pages) [http://www.uic.org/IMG/pdf/ba7041-101-100-md-af20130168-lok\\_final\\_report\\_uic\\_real\\_costs\\_30jan13.pdf](http://www.uic.org/IMG/pdf/ba7041-101-100-md-af20130168-lok_final_report_uic_real_costs_30jan13.pdf)

### 2014-2016:

- EEA Report No 10/2014: Noise in Europe (68 pages) <http://www.eea.europa.eu/publications/noise-in-europe-2014>
- Cowi Study: Effective Reduction of Noise generated by Rail Freight Wagons in the European Union (299 pages +133 pages) <http://ec.europa.eu/transport/modes/rail/studies/doc/2014-05-rail-noise-ia-study.pdf>  
<http://ec.europa.eu/transport/modes/rail/studies/doc/2014-05-rail-noise-ia-study-appendices.pdf>
- UIP technical note on operational aspects of using LL brake blocks (31 pages) <http://uiprail.org/index.php/publi/studies-reports/298-interoperability-uip-technical-note-on-operational-aspects-of-using-ll-brake-blocks-v1>
- UIP report on state of play of noise discussions at EU and national level (8 pages) <http://uiprail.org/index.php/publi/studies-reports/296-railway-noise-uip-report-on-state-of-play-of-noise-discussions-at-eu-and-national-level-v1-pdf>
- EC Staff Working Document on Noise reduction (10 pages) + Impact Assessment (6 documents, 155 pages) <http://ec.europa.eu/transport/modes/rail/doc/2016-01-05-cswc-rail-noise-reduction.pdf>  
<http://ec.europa.eu/transport/modes/rail/doc/rail-noise-impact-assessment.zip>
- IC: Railway Noise in Europe - State of the art Report (40 pages) [http://www.uic.org/IMG/pdf/railway\\_noise\\_in\\_europe\\_2016\\_final.pdf](http://www.uic.org/IMG/pdf/railway_noise_in_europe_2016_final.pdf)