

This UIP Guidelines should facilitate the submission of project proposals for EU funding under the Connecting Europe Facility (CEF) for 2014-2020. 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 reducing rail freight noise, including by retrofitting existing rolling stock.

Connecting Europe Facility (CEF), which is based on the *CEF Regulation (EU) No 1316/2013* was introduced by the European Commission (EC) under the Multiannual Financial Framework (MFF) 2014-2020 with the aim to **co-finance transport**, energy, and telecommunications projects. CEF 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 support projects with a European added value and significant social benefits which do not receive adequate financing from the market

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 which explains the administrative structure, the distribution of funds, and types of projects that can be co-funded by the EU.

What's the call about?

On 8th January 2019 a new CEF call¹ opened among other priorities, one with an indicative funding of €35 million for reducing rail freight noise, including by retrofitting of existing rolling stock.

Under the specific objective Actions to be selected under this priority shall concern works to reduce rail freight noise by retrofitting existing freight wagons with composite brake blocks, and where necessary due to extreme weather conditions with disc brakes, in line with Article 13(c) of Regulation (EU) No 1315/2013.

This is the third CEF call dedicated to retrofitting existing freight wagons and with this the European Commission wants to accelerate the retrofitting of noisy wagons.

Projects for reducing rail freight noise, including retrofitting of existing rolling stock are funded under the TEN-T-Annual Call 2019 and are to be submitted as works². For the first time, the CEF contribution will take the form of unit contribution which simplifies the application process and ensures certainty and transparency in the funding levels. Furthermore, it also simplifies the reporting requirements as no certification or financial statement needs to be provided by the beneficiaries. Furthermore, no Cost-Benefit Analysis (CBA) is needed.

https://ec.europa.eu/inea/sites/inea/files/2019 cef transport call text rfn.pdf

¹ For complete call text:

² 'works' means the purchase, supply and deployment of components, systems and services including software, the carrying out of the development and construction and installation activities relating to a project, the acceptance of installations and the launching of a project.



The evaluation and selection process for project proposals is managed by INEA³, the Commission's Executive Agency for Innovation and Networks, which is also responsible for awarding the funds and monitoring the realisation of the approved projects under their relevant programmes.

Which composite brake blocks are eligible?

Composite brakes which are conform with the ones listed in <u>Tables 2.1</u> and <u>2.2</u> of <u>Appendix G of the Commission Regulation (EU) No 321/2013</u> of WAG TSI⁴ are eligible. Disc brakes are also eligible where extreme weather conditions apply. During the CEF info day the European Commission explained that under "extreme weather conditions", they mean extreme *winter* conditions. However, applicants need to bear in mind that the unit cost contribution will remain the same as for composite brake blocks.

Which types of noisy wagons are eligible?

Only freight wagons and wagons intended for freight operation are eligible. They must be authorised for operations on the Union railway network prior to submission of the application and they shall be equipped with cast-iron brake blocks.

There are two types of noisy wagons which are eligible for retrofitting.

S-type wagon (100 km/h), not-automatic load-proportional braking system and brake linkage and slack adjuster in the middle;
 SS-type wagon (120 km/h), automatic load-proportional braking system and brake linkage and slack adjuster in the middle, requiring the mounting of the kink valve

³More on INEA:

http://inea.ec.europa.eu/en/about us/mission objectives/mission objectives.htm

https://webgate.ec.europa.eu/multisite/era/sites/era/files/activities/docs/era td 2009 02 int en.pdf

Once retrofitted, the wagons should remain in service within the Union for a minimum of 6 years, corresponding to the standard maintenance cycle. The period of 6 years starts with the date of when the wagon will be retrofitted.

Are wagons eligible which also benefit from national funding schemes?

According to point 2 of the specific FAQ on rail freight noise, INEA has confirmed that CEF Transport grants are compatible with national funding schemes as long as the no profit principle is complied with. National schemes must also comply with the EU's State aid rules. If State aids have been granted or are foreseen to be granted to an Action submitted under CEF Transport calls, an explanation has to be provided in section V of application form part C.⁵

How many wagons?

The threshold of freight wagons covered by one application shall **not be lower than 2000 wagons**. ⁶ The creation of consortiums between Wagon Keepers within a Member State orin different Member States is allowed and encouraged to reach that threshold. The wagons can be retrofitted in different workshop locations, as long as those are described in the proposal.

How high is the unit costs contribution?

Wagon Type	CEF contribution (€)
S-type wagon	250
SS-type wagon	600

https://ec.europa.eu/inea/sites/inea/files/faq rfn batch _01 publication.pdf

⁶ See point 2.2.4 of the Work Programme on rail freight noise https://ec.europa.eu/inea/sites/inea/files/wp - section_on_rfn.pdf



The amount of the unit contribution is calculated on the basis of the identified one-off installation costs of the retrofitting costs estimated by the European Union Railway Agency (ERA) in their NOI TSI impact assessment.⁷

Who can apply?

Applicants eligible⁸ for CEF funding can be:

- One or more EU Member States (a consortium is highly recommended by the EC)
- International Organisations, Joint Undertakings, Public or Private Undertakings, Bodies or entities established in Member States
- Neighbouring countries or entities established in neighbouring countries. This would be the case for CH or NO, for example. Neighbouring countries/Third countries may not receive financial assistance except where it is indispensable to the achievement of the objectives of a given project.

The wagon keeper or leaser can apply for CEF funding, depending who is bearing the costs for retrofitting.

What projects are eligible?

- Projects need be of common interest
 - ✓ Fulfil at least 2 of the objectives in Article 4 of the TEN-T Regulation")
 - ✓ Demonstrate European added value
- Projects must take place on the core network OR core and comprehensive network⁹.
- For Projects on reducing rail freight noise the agreement of at least one Member State¹⁰ is needed. It can be the Member State where

the applicant is established or where the main activity is deployed. ¹¹The applicant needs to contact the following <u>Contact</u> <u>Points per Member State</u>

Retrofitting should not be earlier than the date of submission of the application (justification need to be provided why the action needed to start already) and no later than 31 December 2023. No extension of the project after that time will be possible.

When is the deadline and how do I submit the proposal?

The deadline of the Call is **24**th **April 2019 (17h00 Brussels time)**. All proposals must be submitted electronically (no paper submission) by using the TENtec eSubmission module:

https://webgate.ec.europa.eu/tentec/grant/esubmission/
Before being able to use the tool, you will need to create an account.

We advise you to submit your proposals and all the relevant documents well in advance of the deadline as it is extremely strict to the second. Applicants must be able to provide the original documents upon request. All application forms need to be submitted in English or if submitted in another official EU languages with the relevant English translation. For more information please page 4. We advise you to save your proposal frequently when using TENtec and to proof read your proposal several times.

https://ec.europa.eu/inea/sites/inea/files/faq rfn batch 01 publication.pdf

⁷https://www.era.europa.eu/sites/default/files/library/d ocs/recommendation/006rec1072 full impact assessme nt en.pdf

⁸ Please see point 7.1 of the call text.

⁹ See Annex I of TEN-T Regulation what constitutes a core and comprehensive network.

¹⁰ see application form part A2.3 which needs to be completed and signed by the Member State.

¹¹ See specific FAQ point 1:



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. However, geographically the whole TEN-T corridor applies for this call as was confirmed during the CEF info day.

The EC recommends:

 Early engagement of the Transport Ministerium in the relevant Member State representative in the application process (see contact points)

What should be the type of the proposal?

Eligible actions under this call would only be works to reduce rail freight noise by retrofitting existing freight wagons.

What will be the deliverables of the project?

Due to the introduction of the unit costs, the project implementation will be much more simplified for beneficiaries. Wagon Keepers would only need to deliver a list of freight wagons which were retrofitted within the scope of the actions, including their numbers as registered in the National Vehicle Register.

What attestations are required?

The Commission, via INEA, can request sampling evidence, which would be a copy of the official attestation from the contracted workshops where the retrofitting took place. Such attestation shall include the type and batch number of the composite

brake block or disc brake installed and the type and number of the freight wagons as registered in the National Vehicle Register.

What are the different parts of the proposal?

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

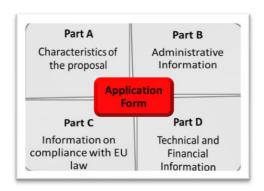
Applications (Application forms A, B, C and D) should be submitted in English. If the application is submitted in another official EU language, an English translation must be provided for the above forms. ¹² Annexes and other supporting documents do not need to be translated.

See details for each form on the call page:

https://ec.europa.eu/inea/en/connecting-europefacility/cef-transport/apply-funding/2019-ceftransport-call-proposals-reduction-rail-freight-noise

What is in each Part?

Please read the <u>Guide for applicants</u> when preparing your application. Use also the <u>application</u> checklist.



¹² See point 9 in the Guide for applicants. INEA will reimburse translation costs.



PART A – General information: Encoding the application in the TENtec tool

- A1 General application data: General information on the proposal need to be provided here, e.g. applicant(s), type of proposal, mode of transport, concerned network parts, call priorities, start date and end date, scope and objective of the proposed Action linked with the call objectives. However, details of the activities within the proposed Action should be provided in application form part D.
- A2 Applicant(s) information and Member State Approval. This section should include information about the legal addresses, contact person, representative authorized to sign the application or any affiliated entities and involved 3rd countries (non-EU-Member states). If there is a consortium, the selected project coordinator is the main contact point and so called "coordinating applicant". This section also includes the EU Member States approval.
- A3 Member State and location. If the proposed Action is carried out in different locations and Member States, these should be listed here. INEA explained during the CEF info day that a proposal would need only 2 types of activities which is one per wagon type. The tasks related to retrofitting should be described and milestones should be linked to them which allow efficient monitoring of the project implementation. The adapted A3 form also requires the listing of the unit contribution information of the action distinguishing between S- and SS-type wagons and the year when the costs are planned to be incurred. The EU contribution

should also be listed according to wagon type and the by wagon keeper and year. ¹³ In case you make use of another EU language in the application you need to indicate the language of each application form and whether the English translation has already been provided.

PART B – Administrative information and Financial Capacity Check per Applicant (to be uploaded in TENtec)

The main goal of this part is to show that the applicant is a financially stable entity, a duly 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 the Financial Identification Form. Each applicant also need to fill in the financial capacity check

This section also requires an operational capacity check, which means an evidence (i.e. Information about IT systems in place, ECMs functions involved/concerned) linked to the activities showing previous experience in carrying out similar activities (e.g. managing freight wagons, and their maintenance from a technical point of view). All applicants also need to complete and sign the Legal Entities form.

PART C - Compliance with Union Policy and Law (to be uploaded in TENtec).

The adapted form C explicitly explains that for works on rail freight noise **only sections V-VII are to be completed.** You have to tick the box on top of page 2

In particular, have a look at:

The National Contact Point¹⁴ in each Member State can help you with this part.

¹³ Page 18, https://ec.europa.eu/inea/sites/inea/files/4-190117-infoday cef call 2019-v190116.pdf

¹⁴ National Contact Point in each Member State can be found here:



- Compatibility with EU Policy on interoperability: Confirm that the proposed Action or the work to be carried out are ✓ compliant (Form C, section II). If there are ✓ national funding schemes, like for example in Germany, please indicate it here.
- Other sources of EU financing (section VII)
 As there is no other EU financing available for retrofitting, the answer to this question should be normally "NO".
- 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, contributions to multimodality, standardisation, innovation or the work programme of the European Railway Agency (ERA) or the European Commission (EC).

PART D – Technical and Financial information
This is the most important part of the proposal as
this will be evaluated and rated! (to be uploaded in
TENtec).

Part D should explain the project itself in detail with the proposed works and activities. The project should clearly address the following 4 award criteria: why is it relevant? Is the project mature? What will be the impact of the proposed action? How do you ensure the quality of the results? Experts will also rate the quality of the proposal itself.

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

- Clear objectives
- Clear deliverables
- Description of possible risks that may occur during the implementation of each activity during the

- project implementation (i.e. capacity of workshops, technical issues, lack of resources, ...)
- ✓ Measures that will be taken to mitigate those risks
- The form D has been much simplified for the rail freight noise call and many questions in the word format have been already marked by the Agency as "Non applicable" (N/A).

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

- Reference to the revision of the NOI TSI and hence the introduction of the quieter route plan of the EC as well as the ban of noisy wagons in Germany will be important justifications
- Logical and structured planning with clear list of activities and timeline for each activity.
 (i.e. Gantt chart in excel format). Think of the evaluators when writing that part.
- An organigram and competences of the people carrying out the activities and managing the project (i.e. short CV of people with their technical and managerial background)
- Avoid jargon and do not take any knowledge on background or content for granted
- List of wagons to be used and accompanying technical fact sheet of wagons (incl. information on authorisation etc.)
- List of workshops where the works will or may be carried out (incl. ECM/VPI certificates etc.)
- List of manufacturers for composite brake blocks to be used (incl. certificates and technical information)
- Description how the proposal will support the objectives/the implementation of the interoperability Directive and secondary legislation as for example the NOI TSI.

https://ec.europa.eu/inea/sites/inea/files/cef_transport_contact_persons_28-05-2018.pdf



- A plan for the monitoring of works and where necessary auditing of workshops competences. This is intended to show credibility and conformity
- A Communication and Dissemination Plan using tools such as Website, Conference events, and Wagon Stickers that indicates that they are 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 to be retrofitted etc.)

Useful documents:

- ✓ Guide for applicants
- ✓ Checklist for applicants
- ✓ FAQ sheet general
- ✓ FAQ sheet Noise specific
- ✓ FAQ sheet on implementing CEF Actions
- ✓ TEN-T Regulation
- ✓ CEF Regulation

Please consult the Call website for all documents and information:

https://ec.europa.eu/inea/en/connecting-europe-facility/cef-transport/apply-funding/2019-cef-transport-call-proposals-reduction-rail-freight-noise

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

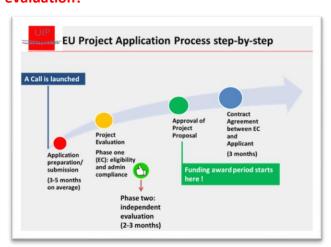
Proposal concerning retrofitting existing rolling stock with silent brakes or disc brakes **do not have to be accompanied by a Cost-Benefit-Analysis (CBA)**, because the amount of the financial assistance to be granted, taking the form of unit contribution is determined in advance.

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

Here is the indicative timeline of the call:

Indicative call timeline	Date
Call opening	8 January 2019
Deadline for submission	24 April 2019 (17h00
	Brussels time)
Deadline for submission	2 May 2019 (17h00
of translations (if	Brussels time)
applicable)	
Evaluation of proposal	April – June 2019
Consultation of CEF	September 2019
committee	
Adoption of the selection	October 2019
decision	
Preparation and	As of October 2019
signature of individual	
grant agreements	

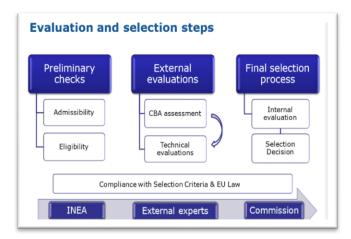
What are the different phases of the evaluation?



Source: INEA



According to the <u>guide for applicants</u>, once submitted, the proposals are examined and evaluated in 3 phases:

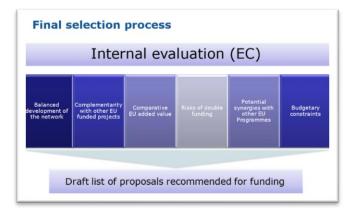


 Phase 1: Preliminary check by INEA on admissibility and eligibility criteria

Applications have to be manually encoded, relevant annexes and documents uploaded and, the whole proposal have to be submitted, before the deadline. For a proposal to be admissible, all forms need to be filled in properly, with the documentation and necessary signatures, otherwise the proposal will be rejected. INEA also checks the eligibility of the proposals: are the applicants eligible? Is it an eligible action? Furthermore, the financial and operational capacity of the applicants are checked and whether the proposed action complies with the EU law (e.g. public procurement, interoperability, state aids etc.). If the application has met all eligibility and administrative criteria, it is approved and can continue to the second phase which evaluates the content of the proposed action.

 Phase 2: External evaluation by independent external experts

INEA hires external independent experts, which have no conflict of interests and which perform the technical evaluation and the CBA/CEA assessment (the latter is not applicable for current call). Usually the technical and CBA evaluations are performed by different experts. For the technical evaluations there are usually 3 experts that first do an individual and independent assessment and rate the



application. This means that they assess to what degree the proposed actions fulfil the 4 award criteria of Relevance, Maturity, Impact and Quality.

All 3 experts than meet and agree on a consensus grade, 0 (insufficient) to 5 (excellent). During the discussion they will also consult (if applicable) the CBA experts when it comes to the impact criteria. The EC may also attend these evaluation sessions as an observer. Only proposals that have passed the minimum threshold of the assessment (usually 3 out of 5 points) will go to the next evaluation phase.





Phase 3: Final selection of successful proposals by the EC

The relevant applications and the outcome of the external evaluations are presented by INEA to the EC. On the basis of several criteria (i.e. balanced development of network, complementarity, EU added value, potential synergies with other EU programs, budgetary constraints) the EC will select the application and draft a list of proposals for recommended funding. During this phase and on the basis of competitive rating, the EC may also reject proposals which have passed the minimum threshold. This list of recommended proposals will be presented to the Member States representatives of the CEF coordination committee for an opinion. Once the list is formally adopted by the Commission, INEA will start informing the applicants/the project coordinator. Applicants whose projects were rejected receive an explanation and the rating of their proposed action.

What will happen after the proposed action has been selected?

The Grant Agreement Preparation Phase:

Once the project coordinator has been informed, INEA prepares with the project coordinator the grant

agreement (GA). The GA is a contract, which defines concretely the project plan and the budget allocation. It is usually drafted on the basis of the proposal, but is formulated more targeted and adding more milestones and outputs if not already mentioned in the proposals. Comments from the evaluation are also taken into consideration in this phase.

Once the final version of the GA is agreed, it is sent out to the project coordinator who has been designated by the applicants for signing on behalf of the whole consortium (if applicable). The coordinator needs to send the signed GA back to INEA with the signed mandates of each beneficiaries.

When will INEA do the payment?

According to the call text¹⁵, INEA will do a first prefinancing (usually 30 days after signing the grant agreement) of 40% of the maximum grant amount awarded. There will be no interim payment made. Please bear in mind, that if the beneficiary's financial capacity is not satisfactory, a pre-financing can only be made upon receipt of a financial guarantee for up to the same amount of pre-financing. For more information please see the call text. Final payment will be done after demonstrating that the action has been completed and deliverables are verified. Costs eligibility will no longer be verified.

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

INEA-CEF-transport-calls@ec.europa.eu
(INEA Help Desk will close on 10th April 2019, but
questions on content can only be posed until 29th
March)

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¹⁵ See point 12.2.2 Payment arrangements in CEF rail freight noise call text.



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

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
- 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
- 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
- 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

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-appendices.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.zipIC: Railway Noise in Europe - State of the art Report (40 pages) http://www.uic.org/IMG/pdf/railway_noise_in_europe_2016_final.pdf



2018:

- WHO Environmental Noise Guidelines for the European Region (181 pages)
 http://www.euro.who.int/en/health-topics/environment-and-health/noise/publications/2018/environmental-noise-guidelines-for-the-european-region-2018
- ERA Full Impact Assessment Revision of the Noise TSI: Application of NOI TSI requirements to existing freight wagons (52 pages)
 https://www.era.europa.eu/sites/default/files/library/docs/recommendation/006rec1072 full impact _assessment_en.pdf