

# **Notification of a Joint Call for tender**

## **for Motorways of the Sea projects in the North Sea Region.**

### ***Introduction***

This document is a call to consortia to bid for EU funding for Motorways of the Sea projects in the North Sea Region. The European Commission introduced the concept of Motorways of the Sea in its 2001 White Paper<sup>1</sup>. Motorways of the Sea are key sea routes between EU Member States and sometimes neighbouring third countries. They offer high quality regular services that can be combined with other transport modes to provide efficient alternatives to road only transport. The 2004 revision of the guidelines for the Trans-European Transport Networks (TEN-T) included the development of four Motorways of the Sea corridors as one of 30 priority projects, which will receive the bulk of EU funding under TEN-T.

The Motorway of the Sea corridor for Western Europe includes the North Sea. Since late 2006, representatives of the governments and authorities of the Netherlands, Belgium and the Flemish region of Belgium, Germany, Denmark, Sweden, the United Kingdom and Norway along with representatives from industry have met regularly to draw up plans to encourage bids for EU funding. As an outcome of this work, we are now publishing this call.

### ***The potential for development in the North Sea Region***

The North Sea is one of the busiest maritime regions in the world and central to this activity is short sea shipping. In 2005, short sea shipping in the North Sea Region totalled some 591 million tonnes<sup>2</sup>. Regular liner services and ferries operate fast, reliable and flexible connections that carry a wide range of cargoes in a wide range of vessels. These include charter vessels that transport bulk steel and construction materials between terminals in the region. Capacity in the region is currently enhanced by new and extra vessels and increased service frequencies. The countries around the North Sea (Belgium, Denmark, Germany, the Netherlands, Norway, Sweden and the United Kingdom) constitute a potential market of over 188 million consumers. Industry and consumer demand create huge traffic flows, of both imports and exports which are increasingly using the North Sea. Road congestion in Europe and the established benefits of short sea shipping as a sustainable part of the logistics chain creates demand for the extension of the North Sea short sea network. Such extensions could include refinement of the hub and spoke concept and the provision

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<sup>1</sup> [http://ec.europa.eu/transport/white\\_paper/documents/doc/lb\\_texte\\_complet\\_en.pdf](http://ec.europa.eu/transport/white_paper/documents/doc/lb_texte_complet_en.pdf)

<sup>2</sup> Source: Eurostat Publication "Short Sea Shipping of Goods 2000-2005" ISSN 1562-1324 © European Communities, 2006,

of new and enhanced infrastructure, identified as key features of Motorways of the Sea concept. What is clear is that the North Sea region has significant potential to grow as a maritime region.

### ***Joint call for Motorways of the Sea project proposals in the North Sea region***

The Ministry of Transport, Public Works and Water Management of The Netherlands, the Flemish Ministry of Mobility and Public Works of Belgium, the Federal Public Service Mobility and Transport of Belgium, the Ministry of Transport and Energy of Denmark, the Danish Maritime Authority, the Federal Ministry of Transport, Building and Urban Affairs of Germany, the Swedish Maritime Administration, the Ministry of Industry, Employment and Communications of Sweden and the Department for Transport of the United Kingdom, in close co-operation with the Ministry of Fisheries and Coastal Affairs of Norway<sup>3</sup>, jointly call for consortia consisting of at least ports and transport operators to propose Motorways of the Sea projects starting in the North Sea region as part of the Motorway of the Sea as defined in priority project No 21 of the Trans-European Transport Network (TEN-T) guidelines<sup>4</sup>.

This notification of a joint call for proposals meets the formal requirements of Article 12a (4) of the TEN-T Guidelines and is an invitation to interested consortia to prepare proposals for Motorway of the Sea projects starting in the North Sea region, for which financial support is available through the TEN Multi-Annual Indicative Programme 2007-2013 of the European Commission and/or other EU or Member State financial instruments. This call for proposals focuses on the time frame 2008-2013. The total indicative amount allocated to Motorways of the Sea projects by the European Commission is € 310 million. The indicative amounts allocated per year are set out in the table below:

<b>Funding Year</b>	<b>Indicative Amount (m€)</b>
2007	20
2008	30
2009	85
2010	100
2011	50
2012	25

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<sup>3</sup> Norway is not a member of the European Union. Norway's relations with the EU are regulated through the European Economic Agreement (EEA). TEN-T is incorporated in the EEA, however not financially. This implies that Norway has to cover its own expenses concerning the TEN-T, and thus that Norway can not apply for TEN-T funding. Norwegian partners can still participate in MoS-projects applying for TEN-T funding, but these partners' participation would be at their own expense.

<sup>4</sup> Decision 1692/96/EC of 23 July 1996 on Community guidelines for the development of the trans-European transport network, as amended by Decision 884/2004/EC of 29 April 2004.  
[http://ec.europa.eu/ten/transport/legislation/index\\_en.htm](http://ec.europa.eu/ten/transport/legislation/index_en.htm)

See also Regulation No 680/2007/EC of the European Parliament and of the Council of 20 June 2007 laying down general rules for the granting of Community financial aid in the field of the trans-European transport and energy networks.

The European Commission will issue annual calls for tender for Motorways of the Sea projects. The European Commission has indicated that projects introduced under calls for tender in the coming years should not endanger the concentration of cargo flows generated by previously approved and co-financed Motorways of the Sea projects. The European Commission has also made clear that the available budget for MoS will be spread over a limited number of projects.

Project proposals should be submitted to the ministries and authorities directly concerned<sup>5</sup> for evaluation. The proposals will be evaluated jointly by these ministries and authorities, based on evaluation criteria described in this notification. The Motorways of the Sea project proposals that are approved by the directly involved Member States will receive the necessary administrative support from the respective governments and will be presented by the relevant Member States to the European Commission for TEN-T financing. This does not exclude, where appropriate, application for other EU or Member State financial instruments. The selection by Member States does not bind the European Commission in its evaluation. A European call for submission of Motorways of the Sea project proposals is expected to be published annually in December. The first call is expected in December 2007.

As Motorways of the Sea are part of TEN-T, the project subject to this call for tender can also be eligible for support of the European Investment Bank in the form of senior debt financing and/or through the Loan Guarantee for TEN-T instrument.

**Start-up aid for shipping lines can not be included in the proposed projects for TEN-T financing. Start-up aid for shipping lines could be subject of a parallel project proposal under the Marco Polo II programme<sup>6</sup> of the European Commission.**

#### *Objective of this call for proposals*

This call for proposals is intended to contribute to the development of the trans-European transport network by inviting consortia, consisting of **at least** ports and transport operators in the North Sea region to submit high-quality Motorways of the Sea project proposals. This call is meant to contribute to the objectives<sup>7</sup> of the trans-European Motorways of the Sea network, being concentration of freight flows, modal shift and/or cohesion.

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<sup>5</sup> The North Sea Motorways of the Sea Task Force considers directly involved Member States, the Member States where the major port and hinterland infrastructure and facilities are located.

<sup>6</sup> Regulation No 1692/2006/EC of the European Parliament and of the Council of 24 October 2006 establishing the second Marco Polo programme for the granting of Community financial assistance to improve the environmental performance of the freight transport system (Marco Polo II) and repealing Regulation No 1382/2003/EC. See [http://ec.europa.eu/transport/marcopolo/index\\_en.htm](http://ec.europa.eu/transport/marcopolo/index_en.htm)

<sup>7</sup> See Art. 12a of the TEN-T guidelines, §1 attached at Annex 1.

Proposed projects should be European and focus on the development of infrastructure and facilities that would help to integrate short sea shipping into the logistic chain. Proposals should demonstrate how they would, reduce congestion, streamline freight flows, facilitate efficient information exchange and how they would encourage interoperability and co-modality in the logistics chain<sup>8</sup>.

According to article 12a of the TEN-T Guidelines (Annex 1 to this document), the following categories of items can receive investment financial support under the TEN financial regulations<sup>9</sup>:

- **Infrastructure:** port infrastructures, infrastructures for direct land and sea access (see Art.12a (2) of the TEN-T Guidelines) as well as inland waterway and canal infrastructures within the meaning of Art. 12a (3) of the TEN-T Guidelines.
- **Facilities:** electronic logistics management systems, facilities to ensure and enhance safety and security, facilities to simplify administrative and customs procedures, facilities for icebreaking and dredging operations (see Article 12 a (2) of the TEN-T Guidelines).

In order to be eligible for Community support, infrastructure and facilities should be of open access to all users on a non-discriminatory basis.

For more detailed guidance, the European Commission has issued a *Vademecum* in conjunction with the call for proposals TEN-T 2005. The *Vademecum* is available on the Commission's website<sup>10</sup>. Please be aware that it is meant for guidance and information only; it does not present a legally binding interpretation of the applicable laws.

Existing studies<sup>11</sup>, carried out on behalf of the European Commission, on potential Motorways of the Sea connections can provide a useful input to project proposals as well.

### ***Who can submit Motorways of the Sea proposals for this call?***

Projects should be jointly submitted by partners in at least two Member States and include infrastructure and facilities in at least one Member State. Additional participation of partners from other EU Member States as well as neighbouring third countries will be welcomed. The ministries and authorities issuing this call encourage the submission of project proposals involving more than two countries. They would

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<sup>8</sup> Co-modality is defined by the European Commission to be the efficient use of different modes on their own and in combination.

<sup>9</sup> Regulation No 807/2004/EC of the European Parliament and of the Council of 21 April 2004, amending Council Regulation No 2236/95/EC laying down general rules for the granting of Community financial aid in the field of trans-European networks.  
[http://ec.europa.eu/ten/transport/legislation/index\\_en.htm](http://ec.europa.eu/ten/transport/legislation/index_en.htm)

<sup>10</sup> [http://ec.europa.eu/transport/intermodality/motorways\\_sea/projects\\_call2005\\_en.htm](http://ec.europa.eu/transport/intermodality/motorways_sea/projects_call2005_en.htm)

<sup>11</sup> [http://ec.europa.eu/transport/intermodality/motorways\\_sea/potential.htm](http://ec.europa.eu/transport/intermodality/motorways_sea/potential.htm)

also strongly encourage the inclusion of Norwegian and Russian partners in project proposals. However, please note that only infrastructure and facilities in EU Member States are eligible for co-financing by the European Commission.

The project proposal should be submitted by consortia consisting of **at least** ports and transport operators. Only TEN-T ports of category A<sup>12</sup> are eligible for co-financing. Port clusters or groups of ports<sup>13</sup> can participate in consortia. Consortium partners can be ports, shipping companies, terminal operators, road hauliers, rail operators, logistics firms, ship brokers, financial institutions, local and/or regional public authorities and infrastructure owners although this list should not be considered definitive. Partnership of both public and private partners in the consortia is worth aiming at. Letters of intent or supporting letters from project partners or possible users of the Motorways of the Sea infrastructure should be included, even for those partners or users who will not receive TEN-T funding.

### *Content and structure of project proposals*

The language of the project proposals should be **English**. It should be clearly indicated which Member States and/or neighbouring countries will be addressed by this project proposal.

The proposals should include at least the information required below, in the following order:

- 1 The project proposal should include a summary of the project, including a schedule of investments and costs.
- 2 The project proposal should demonstrate how it will improve the short sea shipping element of multimodal logistic chains in the North Sea region. These logistic chains may extend to hinterland countries in the EU and to neighbouring countries and regions. The project proposal should describe the origins and destination of any new freight flows and potential freight corridors.
- 3 The project proposal should provide a detailed technical description of the project, including an indicative timetable of the planned actions and investments. The proposed project could be planned and implemented in phases. Please indicate the status of project preparation and/or implementation at the time of submission of your proposal.
- 4 The project proposal should give a detailed account of the investments in relevant port and hinterland infrastructure and in facilities (for example electronic logistics management systems, facilities to ensure and enhance safety and security,

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<sup>12</sup> Seaports of category A are seaports with a total annual traffic volume of not less than 1,5 million tonnes of freight or 200 000 passengers which, unless it is an impossibility, are connected with the overland elements of the trans-European transport network and therefore play a major role in international maritime transport.

<sup>13</sup> The North Sea Motorways of the Sea Task Force considers port clusters/group of ports to be neighbouring ports that serve the same hinterland and that have signed a formalised co-operation agreement. A port cluster/group of ports furthermore can be made up of ports in more than one country and all ports in the port cluster/group of ports need to be TEN-T ports of category A from a Motorways of the Sea point of view

facilities to simplify administrative and customs procedures, facilities for icebreaking and dredging operations).

- 5 The project proposal should include a full financial plan. This plan should include: details of the funding sought under the TEN-T programme, a breakdown of project financing and investments and a clear description of any other funding being applied for (European, National, Regional or Institutional). Applicants should be aware that under the TEN -T programme rules the maximum aid level for infrastructure is 30% and for supporting research up to 50%.
- 6 The project proposal should demonstrate how the investments and actions will contribute to the objectives<sup>14</sup> of the Motorways of the Sea concept within the TEN-T and of this call for proposals.
- 7 The project proposal should include clear projections, expressed in tonne-kilometres, of the modal shift from road haulage the scheme would generate when the scheme becomes fully operational. These estimates of modal shift from road haulage should cover the period up to at least 2013 and ideally up to 2020. The proposal will also provide details of the project's contribution to congestion reduction in the regions involved.
- 8 The project proposal should clearly identify socio-economical cohesion and accessibility benefits. Examples of such benefits could include: improved frequency of services, enhanced route options, time and cost savings and the establishment of hub and spoke networks.
- 9 A socio-economic cost-benefit analysis and environmental impact analysis should be included in the project proposal.
- 10 The project proposal should clearly state, with supporting evidence, why the scheme will not distort the existing market in adjacent or competing corridors and/or ports. The proposal should also describe the scheme's wider benefits, beyond those that will accrue to the consortium members, and the extent to which it adds value to TEN-T programme.
- 11 The project proposal should include a full description of the proposed management structure of the project. Complete details of all project partners including their role within the project should be included. Project partners should indicate their support for the proposal by means of a letter of commitment. Letters of support from potential users of the project proposal should be included with the bid, even from those potential users that do not request TEN-T funding.

### ***Evaluation criteria***

The proposals should have regard to the relevant TEN-T guidelines. Proposals received under this call will be evaluated using the following criteria:

- Content and structure of the project proposal (see above)
- Viability of service and credibility and maturity of the overall project;

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<sup>14</sup> See Art. 12a of the TEN-T guidelines, §1 attached at Annex 1.

- Duration of the project.
- Scale and geographical extent of the project.
- Quality of the technical description of the project.
- Quality of the proposed investment plan.
- Composition of the consortium and written commitments of potential users (letters of support)
- Contribution to cohesion/accessibility and to modal shift based on the characteristics of the traffic (SSS, rail, road) involved (e.g. frequency and regularity, transport costs, safety and security);
  - Modal shift generated.
  - Frequency and regularity of the service.
  - Quality of the vessels used.
  - Contribution to cohesion: socio-economic cohesion (peripheral areas and islands) and cohesion in terms of accessibility, frequency of service, reduction of travelling time.
- Contribution to quality improvement in the logistic chain (port services, infrastructure and connections to the rest of the TEN-T, information systems/one-stop-shops/single windows etc.);
  - Elaboration of the sea transport based multimodal logistic chain.
  - Availability of efficient hinterland connections to the port area, preferable intermodal. Quality of these hinterland connections. Contribution of this project proposal to improving the hinterland connections.
  - Availability of flexible port services allowing liner services for offering frequent sailings at any time and limiting the stay of a ship in the port to a minimum.
  - Quality of port services.
  - Availability of electronic logistics management systems.
  - Availability of simplified administrative and customs procedures.
  - Investments in facilities contributing to quality improvement in the logistic chain.
- Socio-economic impact and impact on employment;
- Environmental impact;
- Effects on competition;
- Impact of this service to existing services between the participating ports and to existing services from neighbouring ports.

### ***Submission of proposals and closing date***

The language of the project proposal should be **English**.

Motorways of the Sea project proposals that are approved by the directly involved Member States will receive administrative support from the respective governments and will be presented by the relevant Member States to the European Commission for TEN-T funding. This does not exclude, where appropriate, application for other EU or Member State financial instruments. The selection by Member States does not bind the European Commission in its evaluation. A European call for submission of Motorways of the Sea project proposals is expected to be published annually in December. The first of these calls is expected in December 2007.

Project proposals should be submitted in hard copy and on CD-ROM to **the relevant Member States (one copy of each to every directly involved Member State)** at the addresses listed in the table below. **Proposals should be received no later than 15th October 2007 at 16:00 hours (GMT+1).**

Flemish Ministry of Mobility and Public Works Ports and Water Policy Koning Albert II-laan 20, bus 5 B-1000 Brussel Belgium	Ministry of Transport, Public Works and Water Management Shipping Policy P.O. Box 20904 NL-2500 EX Den Haag The Netherlands
Department for Transport EU and International Freight Negotiations Freight Logistics Division Zone 1/31, Great Minster House 76, Marsham Street London SW1P 4DR United Kingdom	Federal Ministry of Transport, Building and Urban Affairs of Germany Unit WS 21 Robert-Schuman-Platz 1 D-53175 Bonn Germany
Danish Maritime Authority Vermundsgade 38C DK-2100 Copenhagen Denmark	Danish Ministry of Transport and Energy Frederiksholms Kanal 27 DK-1220 Copenhagen Denmark
Swedish Maritime Administration Transport Policy Unit SE-601 78 Norrköping Sweden	

The envelopes should be clearly marked: **Project Proposal for Motorways of the North Sea.**

A summary of the submitted project proposals will be circulated between all Member States involved in this call for proposals.

For further information concerning this call for proposals, please contact:

<p>Flemish Ministry of Mobility and Public Works, Belgium Mr. Pim Bonne Tel. +32 2 553 62 51, <a href="mailto:pim.bonne@mow.vlaanderen.be">pim.bonne@mow.vlaanderen.be</a></p>	<p>Ministry of Transport, Public Works and Water Management, The Netherlands Mr. Jan Bron Dik Tel. +31 70 351 1448 <a href="mailto:jan-bron.dik@minvenw.nl">jan-bron.dik@minvenw.nl</a></p>
<p>Federal Public Service Mobility and Transport, Belgium Mr. Philippe Colpaert Tel. +32 2 277 35 04 <a href="mailto:philippe.colpaert@mobilite.fgov.be">philippe.colpaert@mobilite.fgov.be</a></p>	<p>Department for Transport, United Kingdom Mr. Tim Ward Tel. +44 20 7944 2774 <a href="mailto:tim.ward@dft.gsi.gov.uk">tim.ward@dft.gsi.gov.uk</a></p>
<p>Federal Ministry of Transport, Building and Urban Affairs, Germany Mrs. Bettina Hartl Tel. +49 228 300 4615 <a href="mailto:bettina.hartl@bmvbs.bund.de">bettina.hartl@bmvbs.bund.de</a></p>	<p>Danish Ministry of Transport and Energy, Denmark Mr. Jess Nørgaard Tel. +45 33 92 33 55 <a href="mailto:jn@trm.dk">jn@trm.dk</a></p>
<p>Swedish Maritime Administration, Sweden Mr. Magnus Sundström Tel. +46 11 19 12 71 <a href="mailto:magnus.sundstrom@sjofartsverket.se">magnus.sundstrom@sjofartsverket.se</a></p>	<p>The Ministry of Fisheries and Coastal Affairs, Norway Mrs. Benedicte Bruun-Lie Tel. +47 22 24 64 35 <a href="mailto:benedicte.bruun-lie@fkd.dep.no">benedicte.bruun-lie@fkd.dep.no</a></p>

## **Annex I.**

### **Article 12a of the TEN-T guidelines**

#### Article 12a

##### Motorways of the sea

- 1. The trans-European network of motorways of the sea is intended to concentrate flows of freight on sea-based logistical routes in such a way as to improve existing maritime links or to establish new viable, regular and frequent maritime links for the transport of goods between Member States so as to reduce road congestion and/or improve access to peripheral and island regions and States. Motorways of the sea should not exclude the combined transport of persons and goods, provided that freight is predominant.*
- 2. The trans-European network of motorways of the sea shall consist of facilities and infrastructure concerning at least two ports in two different Member States. The facilities and infrastructure shall include elements, in at least one Member State, such as the port facilities, electronic logistics management systems, safety and security and administrative and customs procedures, as well as infrastructure for direct land and sea access, including ways of ensuring year-round navigability, in particular the availability of facilities for dredging and icebreakers for winter access.*
- 3. Waterways or canals, as identified in Annex I, which link two European motorways of the sea, or two sections thereof, and make a substantial contribution to shortening sea routes, increasing efficiency and saving shipping time shall form part of the trans-European network of motorways of the sea.*
- 4. The projects of common interest of the trans-European network of motorways of the sea shall be proposed by at least two Member States and shall be geared to actual needs. The projects proposed shall in general involve both the public and private sectors in accordance with procedures which, before aid granted from the national budgets can be supplemented, if necessary, by aid from the Community, provide for a tendering process in one of the following forms:
  - (a) a public call for tenders organised jointly by the Member States concerned, intended to establish new links from the category A port, as defined in Article 12(2), which they select in advance within each sea area, as referred to in project No 21 in Annex III;*
  - (b) in so far as the location of the ports is comparable, a public call for tenders organised jointly by the Member States concerned and targeting consortia bringing together at least shipping companies and ports located in one of the sea areas, as referred to in project No 21 in Annex III.**
- 5. The projects of common interest of the trans-European network of motorways of the sea:
  - shall focus on the facilities and infrastructure which make up the network of motorways of the sea,*
  - may include, without prejudice to Articles 87 and 88 of the Treaty, start-up aid if, as a result of the tendering process referred to in paragraph 4, public support is deemed necessary for the financial viability of the project. Start-up aid shall be limited to two years and shall be granted only in support of duly justified capital costs. The aid may**

*not exceed the minimum estimated amount required to start up the links concerned. The aid may not lead to distortions of competition in the relevant markets contrary to the common interest,*

*– may also include activities which have wider benefits and are not linked to specific ports, such as making available facilities for ice-breaking and dredging operations, as well as information systems, including traffic management and electronic reporting systems.*

*6. The Commission shall, within three years, submit to the Committee referred to in Article 18 an initial list of specific projects of common interest, thereby putting the concept of the motorways of the sea into concrete form. This list shall also be communicated to the European Parliament.*

*7. The projects of common interest of the trans-European network of motorways of the sea shall be submitted to the Commission for approval.*