



EUROCITIES STATEMENT ON THE CONNECTING EUROPE FACILITY (CEF)

I. GENERAL COMMENTS ON THE DRAFT REGULATION:

- The proposed Connecting Europe Facility will have an impact of urban development if, as intended, it succeeds in filling the missing links in Europe's the transport, energy and digital network.
- As cities, we are largely responsible for the realisation and maintenance of infrastructure (mobility, energy, ICT), especially with regard to 'the last mile'. These amenities are important for the economic and socio-cultural performance of our cities, countries and Europe.
- Cities located on the TENs must be involved in the planning and delivery of strategic investments, in partnership with national authorities. A clear framework to ascertain how major cities should be involved in infrastructure projects would help achieve this. Involvement in TENs of city authorities, with their public mandate and democratic legitimacy, would significantly help the coordination and development of the projects and contribute to the common objective of cohesion, interconnection and interoperability.
- The CEF should provide direct access to funding for cities, not only Member States, in order to ensure a quicker implementation of the TENs. Cities have a crucial role to play in all three sectors (transport, ICT and energy) to complete the Single Market and fill in missing gaps in the TENs.
- The technical support the Commission proposes for Member States to help them develop appropriate partnerships with the EIB (through joint initiatives such as the European PPP Expertise Centre (EPEC) and Jaspers as set out in the draft Regulation, art. 5.2) should also be accessible to city authorities.
- Effective coordination between investments made through CEF and allocations under Horizon 2020, as well as eventually under a continued Smart Cities & Communities initiative, will be essential especially when it comes to ensuring coherence and innovative actions in the fields of research and innovation projects for all three sectors (transport, ICT and energy).

II. POLICY RECOMMENDATIONS ON THE SPECIFIC SECTORAL OBJECTIVES:

1) TRANSPORT:

- We support the sectoral objectives for transport set out in article 4 of the draft CEF Regulation, especially the ones linked to intermodality and interoperability. Establishing an integrated multimodal transport network is the best way to facilitate increased passenger and freight volumes.
- The need for a strong inter-urban dimension across CEF projects is clear. Return on investment for CEF projects will not be optimised unless they are connected to the origins and destinations of people and goods. The practical involvement of the relevant city administrations and transport authorities is essential in planning and delivering strategic transport investments together with regional and national authorities. We suggest the following insertion in the first sectoral objective (draft Regulation, chapter I, article 4, 1. (a)(i)):
 - (i) removing bottlenecks, improving connectivity within urban nodes and bridging missing links, to be measured by the number of new and improved cross-border connections and removed bottlenecks on transport routes which have benefited from CEF;*
- Cities should also be involved in cross-border projects, where until now we have had little direct influence. TEN-T projects will simply create and/or displace congestion, concentrate pollution and fail to achieve the modal shift and economic benefits expected if connectivity between strategic infrastructure and urban nodes is neglected.

2) ICT:

- Broadband has a vital role to play in stimulating growth and well-being, making a substantial contribution to a more sustainable future. A capable and future-proof communication infrastructure is crucial to a city's economic performance and the delivery of efficient urban services. This factor will only increase in importance in the future.
- We welcome the specific sectoral objectives on the deployment of broadband networks and digital service infrastructure, as laid out in article 4 of the draft Regulation. Market incentives to invest in Fibre to the Home (FttH) / Fibre to the Premises (FttP) are very limited in many urban areas, in for example deprived neighbourhoods and areas. Financial support through the CEF should support investments in these areas to ensure our cities, where the majority of people live and work, are smart and inclusive, and enable SMEs to be more competitive.
- Coordination of activities under the CEF with national and regional broadband plans is essential, and more information is needed on how the different financing instruments would be used and how projects would be selected. In the selection process for CEF support in the area of broadband, four key principles must be:
 - open access: networks should provide equal opportunities for service providers, free choice for users, and room for innovation.

- scalable: networks should use point-to-point (PTP) fibre infrastructure and not point-to-network (PON), meaning that each user/location can be linked to another with a physical fibre connection. PTP architecture is the most secure set-up to meet future needs of traffic volume and speed.
- symmetric: networks must have symmetric up and downstream speed.
- affordable: access to networks must be affordable for every citizen and business.

3) ENERGY:

- We welcome funding for the accelerated introduction of smart grid technologies. 80% of Europe's energy is consumed in cities and we should therefore have access to this funding.
- Smart grids and smart metering must be seen as part of the technical equipment for control and automation in all buildings, with the aim to optimise energy production, storage and distribution.
- Nevertheless, we would like to point out that:
 - it will also be necessary to have rapid standardisation of technical equipment and processes.
 - the introduction of technologies such as smart meters should be accompanied by a thorough cost/benefit analysis, and any problems with data protection should be addressed. Smart meters should also allow consumers, and not only energy companies, to manipulate their energy flows.
- We support decentralised (renewable) energy production that relieves pressure on the grid, increases supply security and reduces the need for expensive and less efficient long-distance energy transmission.

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