



11.35-11.50

The application process

2019 CEF Transport call

Information Day – 17 January 2019

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Cost Benefit Analysis

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CBA: What does it mean in practice?

*A CBA is required for **Works and Mixed proposals** (not Study)*

*Specific CBA assessment by **dedicated external CBA experts** separately from the rest of the external evaluation*

It is recommended to follow the European Commission methodology developed for the Cohesion Policy (DG REGIO)

Impact

The impact of the proposed action is to be assessed on the basis of the socio-economic CBA, for all works and mixed (studies and works) Actions, but also on the basis of other information in the application.

The impact is composed of two elements:

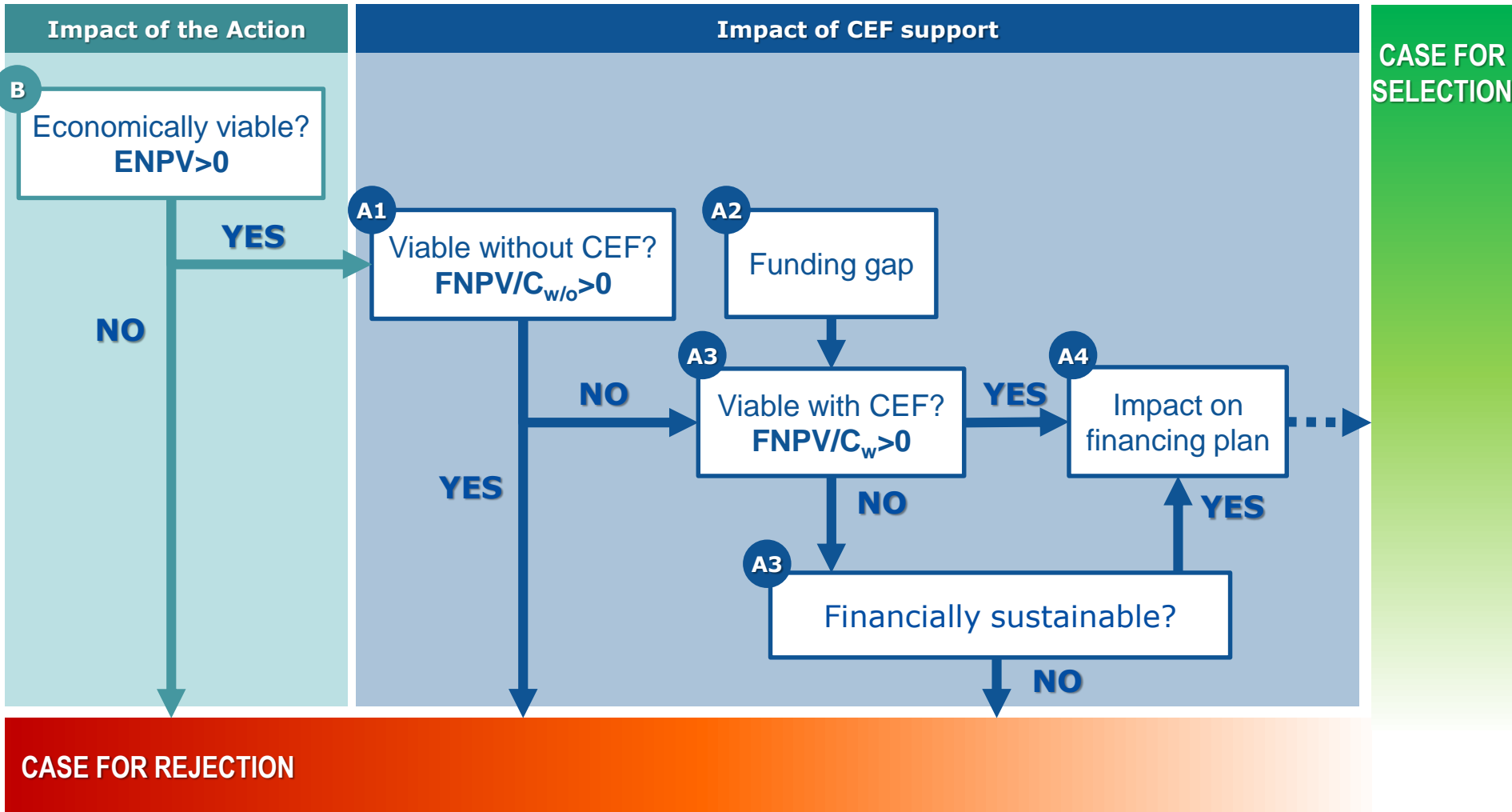
The impact of the proposed Action

- Socio-economic effects (local, regional and national level)
- Climate and environmental aspects
- Improvement of accessibility

The impact of CEF grant

- The need of the grant to overcome financial obstacles
- Impact on the financing plan (mobilisation of additional private and public funding)

CBA indicators and Impact criterion



CBA checklist

A checklist is provided to applicants to help addressing the CBA provisions

2019 CEF Transport call for proposals

✓ Cost-Benefit Analysis checklist

This checklist will help you to fully address the qualitative and quantitative requirements of the 2019 CEF Transport call related to the Cost-Benefit Analysis (CBA). By reminding you of some of the key points assessed during the evaluation process and the necessary elements to be included in the CBA, the checklist aims to help you increase your chances of being granted CEF Transport funding

For questions about the 2019 CEF Transport call for proposals, it is recommended to periodically consult the FAQ page on the INEA website or contact us: INEA-CEF-transport-calls@ec.europa.eu. Questions will be answered via FAQ.

Cost-Benefit Analysis

Did you...?


- | | |
|---|--|
| 1. Make sure that the CBA was carried out for a scope that meets the definition of Single Unit of Assessment of the DG REGIO methodology (page 32), and that such unit is clearly defined in your CBA | Y N
<input type="checkbox"/> <input type="checkbox"/> |
| 2. Make sure that you have listed and detailed all deviations from the scope of the CBA in comparison to the Action | Y N
<input type="checkbox"/> <input type="checkbox"/> |
| 3. Clearly distinguishing cash flows related to the factual scenario from cash flows relating to the counterfactual scenario | Y N
<input type="checkbox"/> <input type="checkbox"/> |
| 4. Justify the reference period if you have retained a number of years different than the recommended one | Y N
<input type="checkbox"/> <input type="checkbox"/> |
| 5. Justify the discount rate in accordance with the Guide for Applicants if you have retained a value higher than the recommended ones (for the financial analysis 4% and for the economic analysis 5% for Cohesion Member States and 3% for other Member States) | Y N
<input type="checkbox"/> <input type="checkbox"/> |
| 6. Make sure that the CBA Financial Analysis uses a consolidated approach in | Y N
<input type="checkbox"/> <input type="checkbox"/> |

accordance with section of 6.1.1 of the guide for applicants


- | | |
|--|--|
| 7. Include detailed information about the demand analysis | Y N
<input type="checkbox"/> <input type="checkbox"/> |
| 8. Include step by step description of revenues generation from demand to cash collection | Y N
<input type="checkbox"/> <input type="checkbox"/> |
| 9. Properly estimated the Residual Value and justify if this is not the net present value of cash flows in the remaining life years of the operation | Y N
<input type="checkbox"/> <input type="checkbox"/> |
| 10. Check if you project generates net revenues | Y N
<input type="checkbox"/> <input type="checkbox"/> |
| 11. Calculate and apply the funding gap (in case your project generates net revenues) | Y N
<input type="checkbox"/> <input type="checkbox"/> |
| 12. Define Conversion Factors and Willingness to Pay to transition the financial values in the economic analysis | Y N
<input type="checkbox"/> <input type="checkbox"/> |
| 13. Define externalities to be added in the economic analysis, if relevant taking into account the "Handbook on External Costs of Transport" | Y N
<input type="checkbox"/> <input type="checkbox"/> |
| 14. Use the required excel template "CBA cash flow template" and upload it as an additional supporting document for the application | Y N
<input type="checkbox"/> <input type="checkbox"/> |
| 15. Replied to questions 5.4, 5.7, 5.8 and 5.9 in application form part D so as to provide a summary of the main elements of the CBA | Y N
<input type="checkbox"/> <input type="checkbox"/> |

CBA cash flow template

A spreadsheet template to present the CBA results in addition to the CBA report




2017 CEF BLENDING CALL - 2nd Cut Off
Economic Analysis
Proposal code: 2017-XX-TM-0000-W




	NPV @ 0.0%	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
Project investment cost	-	-	-	-	-	-	-	-	-	-	-
Replacement cost	-	-	-	-	-	-	-	-	-	-	-
Project O&M costs	-	-	-	-	-	-	-	-	-	-	-
Residual value of investment	-	-	-	-	-	-	-	-	-	-	-
Total economic costs	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-
Total economic benefits	-	-	-	-	-	-	-	-	-	-	-
ENPV / Net benefits	-	-	-	-	-	-	-	-	-	-	-
ERR	#NUM!	-	-	-	-	-	-	-	-	-	-
B/C RATIO	#DIV/0!	-	-	-	-	-	-	-	-	-	-

Summary of sensitivity tests

	ENPV	ERR
Project investment cost	+25%	-
Operation cost	+25%	-
Delay in implementation	6 months	-
	12 months	-
	24 months	-



2017 CEF BLENDING CALL - 2nd Cut Off
Funding Gap
Proposal code: 2017-XX-TM-0000-W
Not Applicable




Return on investment	NPV @ 0%
Discounted revenues	
Discounted costs	
Discounted residual value	
Discounted net revenues	
Discounted investment cost	
Funding Gap	
Funding Gap Rate	

Funding Gap Rate:


Max Co-funding Rate:

Funding Gap Rate:

Modulated Co-funding Rate:



2017 CEF BLENDING CALL - 2nd Cut Off
Financial Analysis
Proposal code: 2017-XX-TM-0000-W



	NPV @ 0.0%	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
Project investment cost	-	-	-	-	-	-	-	-	-	-	-
Replacement cost	-	-	-	-	-	-	-	-	-	-	-
Project O&M costs	-	-	-	-	-	-	-	-	-	-	-
Total revenues	-	-	-	-	-	-	-	-	-	-	-
Residual value of investment	-	-	-	-	-	-	-	-	-	-	-
FNPV(C)	-	-	-	-	-	-	-	-	-	-	-
FRR(C)	#NUM!	-	-	-	-	-	-	-	-	-	-

Exceptions to the CBA requirement

Proposal on the Comprehensive Corridor cannot replace a full CBA by a Cost Effectiveness Analysis. The implementation of standards laid down in the existing EU legislation and /or digital solutions are not foreseen in this Call.

Rail Freight Noise proposals do not need to submit a CBA nor a CEA because an overarching CBA was already carried out and the financial assistance to be granted takes the form of unit contribution.



Preparing a successful application

Laura Alcoverro Via, Evaluation manager
INEA - Innovation and Networks Executive Agency

The (Our) Objective

- **Make sure YOU have all the necessary information & guidance to prepare your proposal**

» **SO THAT**

- **We will receive high quality proposals which will all pass the evaluation (& hopefully all also receive EU funding)**



European Commission

READ

Read through **ALL** of the call documents on the call webpage

2019 CEF Transport call for proposals

The 2019 CEF Transport Call for Proposals was published on 5 December 2018 and will be open for applications on 8 January 2019.

The call makes **€100 million of funding** available for projects of common interest in the transport sector.

Publication date: 5 December 2018

Call open for applications: 8 January 2019

Deadline: 24 April 2019 at 17:00:00 Brussels time.

INEA, along with the European Commission, will organise an [Info Day on 17 January 2019](#) to present the political priorities and content of the 2019 call. The Info Day will also provide participants with practical information about how to prepare a successful proposal, as well as other background information relevant to the application and evaluation process.

2019 CEF Transport call updates

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Call for Proposals

2019 CEF Transport call		
PRIORITY	FUNDING OBJECTIVES	BUDGET
Projects on the Comprehensive Network	1. Removing bottlenecks and bridging missing links, enhancing rail interoperability, and, in particular, improving cross-border sections	€65 million
Rail Freight Noise	2. Ensuring sustainable and efficient transport systems in the long run, with a view to preparing for expected future transport flows, as well as enabling all modes of transport to be decarbonised through transition to innovative low-carbon technologies	€35 million





THINK

- Will my proposal fit the objectives of the call?
- Who will be the coordinating applicant?
- Is my Action mature enough?
- Am I missing necessary information/authorisations?
- Financial?
- Milestones?
- ...





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START EARLY

- Take your time
- Regularly check and read again the proposal
- Proofread
- Save it often in TENtec
- Get the Member State(s) support
- Do not wait until the last minute



APPLICATION

- 4 parts: A, B, C, D
- Part A (online)
 - **Administrative info**
 - **Description of Action**
 - **Signatures**
- Part B (upload)
 - **Administrative info**
 - **Financial/operational capacity**
 - **Signatures**
- Part C (upload)
 - **Compliance with EU law**



APPLICATION

- Part D (upload)
 - **Technical/financial info**
 - **Order = award criteria**
- Supporting documents
 - **CBA (when applicable)**

Follow the Guides for Applicants

Use the checklists





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ASK & CHECK

- **We are here to help you!**
- Helpdesk INEA-CEF-Transport-calls@ec.europa.eu
- Ask questions today
- FAQs & notification service
- Keep monitoring for news & updates
- Twitter/LinkedIn



SUBMIT

- **24 April 2019 at 17:00:00 (Brussels time)**
- Forms uploaded
- Supporting docs
- Proposal complete & signed
- Use checklist
- **SUBMIT** (with time to spare)

& good luck



Contact INEA



INEA-CEF-Transport-calls@ec.europa.eu



<http://ec.europa.eu/inea>



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Look for INEA!