



Funding criteria of Connecting Europe Facility to be revised in the new geopolitical context

The new TEN-T regulation, which will define the scope and quality of Trans-European transport networks, is expected to enter into force in 2024. Thus, in the EU cycle starting in 2024, the focus will be on financing the transport networks and building the TEN core network to reach the target level by 2030.

International accessibility must be improved in the new geopolitical context. Europe's security situation has changed in a dramatic way. This must be reflected in the funding criteria of the Connecting Europe Facility. That is not only vital for Finland, but crucial for the entire EU.

Thus, the funding must prioritise security of supply, operational reliability and crisis resilience, with increased funding for military mobility.

FINNISH INDUSTRIES' MESSAGES TO DECISION-MAKERS

Reliable and undisrupted maritime transport in the Baltic Sea is vital for Finland's international accessibility and its export and import trade, as is also air traffic. At the same time, alternative routes must be developed in order to be prepared for possible crises. Road and rail connections to the south and west along the EU's core network corridors are critical for Finland.

The EU has in Finland more than a 1000 kilometres of land border with Russia. Military mobility and the expansion of NATO to Finland and Sweden will require extensive high-standard critical infrastructure in the region. This will enhance the security of the EU as a whole. Also Northern natural resources, minerals and clean energy investments contribute substantially to the EU's strategic autonomy and Green Deal agenda and require efficient transport links.

- The funding criteria of the Connecting Europe Facility must better observe the needs for international accessibility, strategic autonomy and crisis resilience, reflecting the changed geopolitical situation. Funding for military mobility should be increased.
- The funding criteria must acknowledge the different conditions in the Member States. For instance, the currently used cost-benefit analysis is a highly disadvantageous criterium for Finland, since a large and sparsely populated country can never reach the central European traffic volumes.
- Connecting Europe Facility should give more funding focus to road infrastructure. Road transport is becoming emission-free thanks to the EU's climate policy and the Fit for 55 legislation. The climate aspects, strong demand for road transport and dual military use are good reasons to prioritise road infrastructure funding alongside other modes of transport.
- More funding will be needed also for alternative fuel infrastructure investments.
- Currently the Connecting Europe Facility has a strong cohesion aspect. In the next EU budget period 2028–2035, the transport infrastructure funding between Member States must be balanced by reducing the proportion, which is allocated exclusively to cohesion countries.

CONTACT INFO

Tiina Haapasalo, Chief Policy Adviser, Transport and Infrastructure, tel. +358 40 763 1482, tiina.haapasalo@ek.fi
Siiri Valkama, Senior Advisor, Brussels office, tel. +32 494 549 249, siiri.valkama@ek.fi