

CYCLING FOR GROWTH: USING EUROPEAN FUNDS FOR CYCLING

European Cyclists' Federation (ECF)

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1. The European Cyclists' Federation's objective for European funds

The European Cyclists' Federation's (ECF) main mission is to have more people cycling, more often. In order to help achieve this mission the ECF wants 10% of all public investments in transport to be used for cycling-related measures. As is explained in this note, the figure is currently much lower despite the fact that cycling has consistently provided higher returns on investment than any other transport mode.

2. Lessons learned from the last financial period

In the previous Multiannual Financial Framework – which covered the period 2007-2013 – approximately 600 million Euros was allocated for cycling. This was closer to 1% of the EU's total spending on transport measures during that period rather than 10% (which would equate to 6,000 million Euros). In addition, most of the 600 million Euros was allocated in just four countries: Hungary, Poland, Czech Republic and Germany (each invested more than 100 million Euros in cycling).

The last financial period did see many good cycling-related projects realised, both in these four leading countries and in others. However, there was no European-level benchmarking or guidance on how to use European subsidies for cycling projects nor was there a specific monitoring or impact assessment system put in place for the use of European resources for cycling.

Most of the cycling projects used European Regional Development Funds (ERDF) and the potential opportunities offered by other EU Funds were not really taken up. Some 'non-cycling' developments included cycling-related measures (e.g. cycle lanes on public roads, bike parking at new railway stations etc.) but in general cyclists were forgotten about in transport and tourism projects subsidised by the EU. This resulted in opportunities for mutually beneficial measures being missed and even, in some cases, subsidised projects actually worsened conditions for cyclists. Repairing such mistakes invariably costs more than if the right cycling-related measures were included at the planning stage.

3. What are the EU Funds available for cycling during the 2014-2020 financial period?

EU subsidies are managed on different levels:

- a) European-level programmes are distributed directly via the European Institutions. For example:
 - The Connecting Europe Facility (CEF) can be used for the development of cycling infrastructure measures connected to the Trans-European Transport Networks (TEN-T).
 - The Horizon 2020 programme can support innovation and research projects containing cycling components.
 - The COSME programme can support the competitiveness of cycling related enterprises (e.g. cycling related manufacturing SME`s) and European-scale cycling tourism projects.
 - The LIFE programme can support environment and climate-related actions.
 - Erasmus+ and Europe for Citizens programmes can support European campaigns, events and other “soft” measures to involve European citizens, change their perceptions and/or behaviour (for example to promote physical activity).
- b) Transnational and cross-border programmes are under the shared management of the EU Institutions and the different member states and regions. For example:
 - The cross-border INTERREG programmes can support cooperation between authorities and NGOs from two or three neighbouring countries implementing cycling infrastructure development and soft measures (e.g. campaigns, education etc.).
 - The trans-national INTERREG programmes are a perfect tool for strategic cooperation (including strategic planning, policy making, soft measures) between the authorities, NGO`s, private bodies of several (more than 3) member states in a macro-region.
 - Instrument for Pre-Accession (IPA) provides financial support to the enlargement countries in their preparations for EU accession.
 - The European Neighbourhood Instrument (ENPI) promotes cooperation between the Union and its neighbouring countries.
- c) National and regional level authorities distribute most of the European funds available for cycling (i.e. European Regional Development Fund (ERDF), European Social Fund (ESF) and European Agricultural Fund for Rural Development (EAFRD)). These funds theoretically can provide European co-financing for all kinds of measures including cycling infrastructure, soft measures (e.g. campaigns, education etc.), cycling industry and cycling tourism service development but the eligible activities depend on the priorities chosen by the member states and/or regions and described in their relevant programming documents (see below).

4. How has the ECF been identifying opportunities for European funding for cycling?

- a) Since 2011, the ECF has been informing its members and networks about the preparation of the programming documents for the 2014-2020 period and encouraging and supporting them to lobby for better references and more support for cycling.
- b) Over the past few months, the ECF has been checking all available programming documents

to find out what references to cycling have been included. This work included the scanning of:

- relevant EU regulations;
- Partnership Agreements - a general agreement between the EU and each member state setting out in broad terms what EU funds should be spent on);
- Operational Programmes (OP) - describe in more detail the priorities, objectives and eligible activities in each member state and/or region and therefore set the guidelines for the Calls for proposals that will follow.

Of course it will not be possible to identify exactly how much the EU will invest in cycling-related measures during the current financial period until it finishes but using the OPs we can get a relatively good estimation about the opportunities that are available.

- c) As part of the scan of the above documents, the ECF has categorized the references to cycling and estimated the resources that are likely to be available. We identified three categories of references:
- Explicit reference - "cycling, bicycle, cycling infrastructure, cycling industry etc." are listed among the eligible actions. In the best cases, the OP even includes a dedicated cycling fund and/or the estimated outputs include cycling (e.g. km of new bike path).
 - Implicit reference – cycling-related measures are eligible under different headings, such as "sustainable transport / mobility, green infrastructure, green vehicles, soft mobility, urban transport, sustainable (transport) modes, multimodality, sustainable tourism". Although cycling was not explicitly-mentioned in the actions, it clearly fits with the proposed objectives. Nevertheless, we used a conservative estimation, taking into account the potentially eligible activities.
 - Indirect reference or connection to cycling – covers situations where broader themes are mentioned, such as "land transportation, roads, tourism, SME development, training and campaign, vehicle industry". In these circumstances we took an extremely conservative approach and included only the possible costs of integrating some cycling-related components into generally 'non-cycling' projects.

5. What is the current status? What are the main challenges?

- a) The current state of play varies for the different types of fund:
- For the centralized EU Funds, all programmes are approved and in some cases even the first calls for proposals are published.
 - Regarding the national, regional, cross-border and trans-national funds, all of the Partnership Agreements are now approved. Whilst 97% of all OPs are now submitted, only 21 have been adopted to date. Consequently, during our scan we always evaluated the best publically-available version.
- b) We estimate that 1.325 billion Euros of EU funds can be used for cycling between 2014 and 2020 based on the explicit references included in the current versions of the programming documents. If we take into account the implicit and indirect references as well, than cycling related measures possibly can absorb 2.041 billion Euros of EU subsidies. This is more than twice or, in case of all possibilities (references), more than three times as much as was available in the former period. However, it is less than the 10% of the total EU budget for transport-related measures that we are aiming for.

c) Some general comments and observations on these figures:

- It is clear that the lobbying campaign of the ECF and its members and partners over the past two years has been successful in improving the image of cycling and convincing the relevant stakeholders of the economic potential of cycling in many countries.
- Transport and mobility generally will receive less European resources compared with the former (2007-2013 period), which has a negative impact on the possibilities of cycling infrastructure development.
- The CEF opens the possibility to co-finance cycling-related measures in the frame of TEN-T projects but there is no separate budget line for cycling (despite the decision of the European Parliament's TRAN Committee in September) or obligation to integrate cycling-related measures.
- The European Commission objected to member states and regions allocating funding for cycling-related measures. Four member states and regions have reported to the ECF that they had experienced negative feedback from the European Commission (DG REGIO) when they tried to allocate EU Funds for cycling. According to the documents sent by DG REGIO that we have seen informally, they do not consider cycling to be equal to other modes of road transportation and asked to reduce, or even refused to integrate, cycling in several OPs.
- The main winner of the new allocation is the direct economic development/SME sector, but this objective is usually not differentiated according to economic sectors. Several member states informed us they were discouraged to allocate any resources for tourism / cycling tourism under this objective. That said, despite this feedback from DG REGIO, several member states were still willing to allocate dedicated resources to this sector.
- Geographical differences are still noticeable. Of the four countries that allocated the most resources in the previous period, three – Poland, Germany and Hungary – stayed in the leading group. The opportunities to fund cycling-related projects over the next seven years in the Czech Republic however, are greatly reduced when compared with the previous period, despite the fact that it initially appeared that they were intending to continue to allocate resources for cycling.

The Latin countries, particularly Spain and France, recognised the importance of cycling and opened the possibility to invest more than 100 million Euros into cycling. Most of the new member states (e.g. Estonia, Latvia, Romania and Bulgaria) and Italy included strong explicit references on cycling as well. There was further good news in Greece, Sweden and UK where dedicated resources for cycling were allocated for 2014-2020 (even if the amounts were limited). The 'traditional' cycling countries, such as the Netherlands and Denmark, did not allocate any significant EU resources for cycling explicitly, most probably because they use national and/or regional resources for these measures.

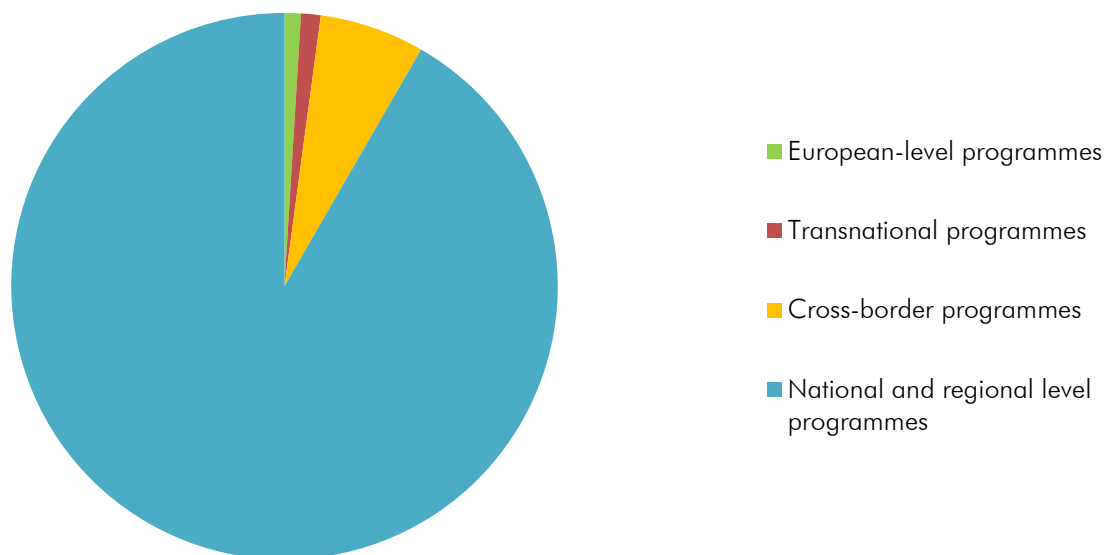
Overview of European funds available for cycling at a national and regional level between 2014 and 2020 based on current information

Country	Estimated amount of funding available (€ million) based on:			Total
	Explicit references	Implicit references	Indirect references	
Italy	44.5	12.0	31.5	88.0
Spain	135.5	96.2	15.7	247.4
Greece	5.5	18.7	7.0	31.2
Germany	123.4	6.2	1.8	131.4
Sweden	8.0	0.2	0.0	8.2
Austria	0.0	2.6	0.0	2.6
Denmark	0.0	0.0	0.0	0.0
The Netherlands	0.0	0.3	0.0	0.3
Ireland	0.0	1.0	0.0	1.0
United Kingdom	16.7	5.3	1.9	23.8
France	196.8	25.2	22.3	244.4
Hungary	106.7	15.0	30.0	151.7
Cyprus	0.0	7.0	0.0	7.0
Belgium	11.4	0.0	0.0	11.4
Slovenia	20.0	0.0	0.0	20.0
Latvia	0.0	15.0	0.0	15.0
Estonia	20.0	0.0	0.0	20.0
Romania	25.0	0.0	46.0	71.0
Slovakia	28.7	0.0	0.0	28.7
Poland	403.7	0.0	0.0	403.7
Malta	0.0	3.2	0.0	3.2
Czech Republic	20.0	0.0	5.0	25.0
Bulgaria	40.0	85.7	4.6	130.3
Finland	0.0	6.0	0.0	6.0
Luxembourg	2.5	0.0	0.0	2.5
Portugal	6.0	9.5	0.0	15.5
Lithuania	0.0	10.0	2.0	12.0
Croatia	0.0	30.0	0.0	30.0

Overview of all European funds available for cycling between 2014 and 2020 based on current information

Type of fund	Estimated amount of funding available (€ million) based on:			Total
	Explicit references	Implicit references	Indirect references	
European-level programmes	12.8	0.0	131.3	144.1
Transnational programmes	15.4	22.8	1.0	39.1
Cross-border programmes	82.2	36.2	8.3	126.8
National and regional level programmes	1,214.4	349.1	167.8	1,731.3
Summary	1,324.8	408.1	308.3	2,041.2

European funds available for cycling between 2014 and 2020



6. What are the next steps?

- a) Use all the dedicated funds effectively. In those cases where there is a direct reference to cycling or even a specific amount reserved for cycling-related measures it is important to generate high-quality and effective projects. For all activities, we should choose the right tools (e.g. infrastructure type) with the right parameters.
- b) Realize the potential of the indirect connections and implicit references. In case cycling is part of a bigger, general package of actions (urban mobility, sustainable tourism etc.), it is important to lobby for more detailed and precise references to cycling in the call for proposals. Cycling projects will be competing with other projects, so it is especially important for these funds to develop high quality bids.
- c) Integrate cycling into non-cycling projects. Where cycling is not the main focus of a project, it is important to ensure the needs of the cyclists are still taken into account when the project is planned and implemented. This can be ensured via the calls for proposals, guidelines and the evaluation of the projects.

7. What will the ECF do?

- a) Lobby for further European resources. Although the main negotiations about the 2014-2020 period are now closed, we would like to improve the references to cycling in the published calls (e.g. CEF). We will also support our members and networks to lobby for the same at the national and regional level.
- b) We propose to integrate cycling into the European Commission's 'Investment Plan for Europe'. In support of the new Plan, we have prepared a "Cycling Investment Plan for Europe. This plan would use the above mentioned European subsidies, combining them with Euroepan Investment Bank (EIB), national and private resources. This plan would mean 6 billion Euro investments and include the following 4 work packages:
 - completion of EuroVelo, the European cycle route network,
 - SMART City Connected Urban cycling technologies,
 - cycling as suburban and inter-urban mass transit,
 - reindustrialisation/ repatriation of EU bicycle manufacturing and R&D.

If the plan is realised, we would create 100,000 new jobs¹. Furthermore, due to cycling's return on investment being the best in the transport sector, this plan can release 30 billion Euros of benefits to the EU.

- c) To proceed with the monitoring of the different OPs and update the current report until all OPs are finalised.
- d) The ECF would like to evaluate and communicate good practice cycling projects co-funded by the EU. We will continue to initiate and participate in new European projects in order to use the potential and encourage our members and networks to do similar on the national, regional and local levels.

¹ This is 10% of the jobs targeted by the Investment Plan for Europe for just 2% of the investments; making it 5 times more effective than the published expectations of the Plan.

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Further information

More information is available from the ECF's website:
<http://www.ecf.com/advocary/eu-funding-2/>