

Proposal Evaluation Form



EUROPEAN COMMISSION

Digital Europe Programme (DIGITAL)

Evaluation Summary Report

Call: CEF-T-2023-COREGEN
Type of action: CEF-INFRA
Proposal number: 101175570
Proposal acronym: 23-FI-TG-West Railway
Duration (months): 48
Proposal title: Development of the Helsinki-Turku railway connection II
Activity: CEF-T-2023-COREGEN

N.	Proposer name	Country	Total eligible costs	%	Grant Requested	%
1	Turun Tunnin Juna Oy	FI	523,000,000	100.00%	176,280,000	100.00%
Total:			523,000,000		176,280,000	

Abstract:

The Global Project aims to create a new fast railway connection (mainly double-track) between the urban nodes of Helsinki and Turku along the Scandinavian-Mediterranean Core Network Corridor. The proposed Project consists of construction planning of the Espoo-Kupittaa section, ca. 150 km, based on the railway plans prepared in the ongoing CEF Transport Action 2019-FI-TM-0256-S, and of construction works of its two subsections, Espoo-Hista and Salo-Hajala, ca. 21 km in total.

The construction planning consists of planning of new tracks, bridges, tunnels, station infrastructure, and railway electrification, power engineering, and signalling systems. The design solutions will comply with the revised TEN-T regulation and its definition for high-speed. To ensure that planning solutions are feasible, and the requirements of relevant permits are fulfilled, supplementary geological and environmental investigations are carried out. The works on the two subsections consist of construction of new tracks, bridges, tunnels, station infrastructure, and railway electrification and power engineering systems. The Project also covers project management and communication activities.

The Project fulfils the objectives of the work programme to develop rail transport infrastructure projects on the TEN-T Core Network. It contributes to capacity and performance upgrade of existing lines and nodes, including better articulation of long-distance and local traffic, and interconnections between rail and other modes of transport. The Project contributes to a more balanced modal distribution, optimal use of existing infrastructure capacities, improving the reliability of the TEN-T core network, and removing level crossings. The planned and constructed infrastructure will be accessible for use by all operators on a non-discriminatory basis.

Evaluation Summary Report

Evaluation Result

Total score: 20.50 (Threshold: 15)

Criterion 1 - Priority and urgency

Score: **4.50** (Threshold: 3 / 5.00 , Weight: -)

The detailed criteria are set out in the call conditions (see Call document).

The priority and urgency of the project is very good.

The project is addressing studies and works for development of the Helsinki-Turku railway connection in Finland. The section is part of the alignment along the Scandinavian-Mediterranean Core Network Corridor included in Part III of the Annex to the CEF Regulation.

In particular, the project will deliver the construction planning for a new fast, double track railway line (ca.150 km in total) Helsinki - Turku, covering: 96.5 km double-track Espoo-Salo, upgrade of 52 km single track Salo-Kupittaa to double-track, new bridges, demolition and upgrade of existing bridges, new and upgrade of existing tunnels, removal of a level crossing, new stations, railway electrification, power engineering, noise abatement, and signaling systems (in line with the ERTMS Baseline 3 / ETCS Level 2 and the Technical Specifications for Interoperability). The construction works cover upgrade of two track subsections Espoo-Hista and Salo-Hajala (ca. 21 km in total), construction of new and upgrade of existing bridges and tunnels, new station, noise abatement, railway electrification and power engineering systems.

The project is an important part of the Global project aiming at constructing the new railway connection between Helsinki and Turku, thereby addressing a significant bottleneck of insufficient track capacity, limited speed and missing links on the railway network.

It is convincingly demonstrated that the project contributes to the development of the TEN-T network, as it classifies as a project of common interest through its contribution to the upgrade of existing and development of new railway infrastructure, and through measures promoting resource-efficient use of the network.

The project clearly contributes to the objectives of the TEN-T network, notably to: cohesion (by promoting more efficient use of rail infrastructure for freight and passenger traffic, improving the accessibility and connectivity between urban nodes in Finland), efficiency (by alleviating capacity bottleneck and bridging missing links on this railway line, reducing commuting times and increasing the line speed), sustainability (by promoting modal shift and low-carbon transport), and increasing benefits for its users (by meeting the mobility needs of the users with high-quality passenger and freight transport).

The project contributes to realizing the corridor work plan, as it connects urban nodes whose importance for the modal interconnections is well recognized in the work plan. The network effect is well demonstrated by the fact that the project is linked with and complementing several CEF projects (2019-FI-TM-0256-S – The development of the Helsinki-Turku railway connection, 2019-FI-TM-0267-S – Espoo Rail Line: Development of the Helsinki-Turku railway connection first phase), 2020-FI-TM-0017-S – Kupittaa-Turku: Planning of Kupittaa-Turku double track and Turku rail yards), 21-FI-TG-KUPITTA-TURKU II – Construction of Kupittaa-Turku double track and Turku rail yards (study Action 2019-FI-TM-0256-S ending in 12/2024) and one ongoing CEF2 construction project (all part of the Global project).

The project is in line with the call objectives and priorities, as it aims to develop new railway infrastructure and increase the capacity and performance of an existing line, to enhance the efficiency of the railway network by reducing travel times between Helsinki and Turku, and the cities and municipalities in-between, to promote modal shift and interconnections with other transport modes. The project's scope is overall relevant to the railway topics.

Although the project mainly creates regional and national value for Finland, the EU added value is demonstrated through the contribution of the project to the TEN-T network objectives, the EU Green Deal decarbonization goals, Fit for 55 package and Sustainable and Smart Mobility Strategy by promoting modal shift to rail.

In addition, the project enhances the Helsinki-Espoo-Turku-Aland-Stockholm connections which link Finland with the other Nordic countries and western Europe, and it is vital for Finland's security of supply, especially in the current geopolitical situation.

The project contributes to the EU Mission on the "100 Climate-neutral and smart cities by 2030", as two of the cities – Espoo and Turku – are located in the project area, thus the project will help the cities to achieve their environmental targets.

Criterion 2 - Maturity

Score: 3.00 (Threshold: 3 / 5.00 , Weight: -)

The detailed criteria are set out in the call conditions (see Call document).

The maturity of the project good.

The project will start in 01/2025 and end in 12/2028. The duration is 48 months (for the study component - 36 months) which is fully in line with the duration stipulated in the call. The proposed timeline is realistic, even though due to the below mentioned reasons, there are some risks that the project could not be completed by the end date.

The technical maturity is good. With regard to ex-ante evaluations, comparison of alternative options was made during the general planning and the railway planning phases.

The project depends on the railway plans that include studies, measurements, investigations, and planning and is being prepared in the CEF1 study Action 2019-FI-TM-0256-S ending in 12/2024. The railway plans are essential to start the construction planning in the work packages (WPs) 2-4, which in turn is necessary for the start of the construction works in WPs 5-6. Thus, there is a strong interdependence between the studies and the works. This entails a risk for timely commencement and completion of the project.

The WPs demonstrate different degree of technical maturity. The start of the construction planning, i.e., WP2 "Construction planning of railways, bridges and tunnels", WP3 "Construction planning of the stations", and WP4 "Construction planning of technical systems" is envisaged in 01/2025 when the procurements are expected to be completed. WP5 "Construction works" will start in 03/2025 with preliminary works whereas WP6 "Construction of station" will start in 06/2026.

The procurement procedures (43 in total) are well defined however, the procedures are partially advanced. There are no contracts awarded before the submission of the application. 10 contracts for construction planning will be concluded in the course of 2024, 32 will be awarded in the course of 2025 and one in 2026. For the construction works the start of the contracts is envisaged in 01/2025.

The procedural maturity is good. The project has strong political commitment at national level. This is demonstrated by the acceptance of the project by the Monetary Committee, one of the decision-making bodies of the Finnish Government. Also, the project is in line with the National Transport System Plan for 2021-2032, which has identified major rail capacity challenges on the Helsinki-Turku track section that the project will address. Furthermore, the improved railway connection in important urban nodes expected from the project, will contribute to achieving the goals of the Finnish Climate Act, pledging for carbon neutral Finland by 2035. The regional commitment is also well demonstrated through regional programmes of Uusimaa and Southwest Finland.

Comprehensive public consultations have been performed during the railway planning process, however there is no reference to the sub-sections covered by the project. Several consultations are planned during the project implementation. The EIA has been completed and the Finnish Ministry of the Environment has confirmed the environmental compliance of the project.

For the construction planning, no ex-ante authorizations, approvals, or permits are needed. However, with regard to the construction works in WPs 5-6, the project demonstrates lower procedural maturity.

The approval of the railway plans i.e., the development consent of the railway construction works planned under WPs 5-6, is expected by the Finnish Transport and Communications Agency (Traficom) between 06/2024-12/2024. In addition, permits for the construction works are pending for which the applicant will apply before the project implementation. Namely, 7 derogations from the protection provisions pursuant to the Water Act are expected by 12/2024, 6 permits pursuant to the Water Act and 1 derogation from the protection provisions pursuant to the Nature Conservation Act are expected by 12/2025 and 1 has been received in 2022.

Moreover, the redemption of the land required for the construction works has not started yet. It is expected to begin as soon as the railway plans for the respective sections are approved and the land use plans in the area in question are in force (in 03/2024 for Salo-Hajala and 12/2025 for Espoo-Hista).

Although there are not imminent risks yet, still the dependence of the project on the railway plans completion, several inter-dependencies of the tasks on completion of the procurement and permitting processes, the number of the pending contracts, permits and approvals, all together form a risk factor for the timely start and completion of the project.

The financial maturity of the project is credibly demonstrated. The funding has been secured partially by the Finnish national budget, as the Finnish Government is main shareholder (51%) of the applicant, Turku One Hour Train Ltd. In addition, 7 municipalities with a combined shareholding of 49%, will also finance part of the project and the legal commitments are expected to be formally in place by the end of 05/2024.

Technical and financial planning of the project are coherent, as the costs allocated per reporting period are in line with the envisaged activities and milestones.

Criterion 3 - Quality

Score: 4.50 (Threshold: 3 / 5.00 , Weight: -)

The detailed criteria are set out in the call conditions (see Call document).

The quality of the project is very good.

The work packages are very well structured and detailed, with clearly defined scope, sufficient milestones and deliverables, and are coherent with the set objectives. Implementation plans are comprehensive and sound.

The cost breakdown for each work package and task is reliable and the overall costs are reasonable. The level of resources is credibly justified with reference to the data sources and assumptions used for the calculations of the estimated costs, mainly based on costs of previous similar works.

The CBA methodology is sound, reliable and provides meaningful information. It addresses all relevant socio-economic and environmental effects. The values taken on key parameters (e.g., discount rate or reference period) are aligned with the recommended parameters. However, the traffic forecast is built on the Global project, which leads to overestimation of the project's direct benefits.

The project's organizational structure and governance are well presented with clearly defined responsibilities of each involved party, and it is convincingly demonstrated that the organizational setup is appropriate for the project. Turku One Hour Train Ltd has proven technical and operational capacity to implement the project, as it has already implemented other projects co-funded by CEF.

The financial management and monitoring process, including internal and external audits, are well presented and adequate. The project management plan is sound, and the quality assurance and quality control procedures are credibly explained. All subcontractors are required to have a certified quality system which is followed during the project implementation.

Risk management methods and procedures are sufficiently described. The risk assessment grid is comprehensive, as it identifies the major risks and sets the appropriate mitigation measures.

Activities related to communication and visibility are adequately described ensuring a good level of visibility and communication of the CEF co-funding through information events, press releases, social media, etc.

A sustainable and maintenance strategy is sufficiently presented, including details on the winter maintenance services to ensure continued operation of the infrastructure.

Criterion 4 - Impact

Score: **4.50** (Threshold: 3 / 5.00 , Weight: -)

The detailed criteria are set out in the call conditions (see Call document).

The impact of the project is very good.

It is well demonstrated that the study elements of the project will be used as a decision-making tool, since the construction planning will be used as necessary input for the construction works of the project and for the next stages of the Global project during 2028-2030.

A demand analysis was carried out as a part of the cost-benefit analysis approved in 2024, based on 2019 traffic data for a 40-year period. The analysis considered the so called "wider associated project", including all investments of the project, the Global project, as well as other closely related projects which are expected to be enabled by the new high speed rail line. Based on the CBA, the project is justified, as the demand for rail transport in the region is expected to grow only moderately without the new railway link but will triple (from 2.4 million passengers in 2030 to 7.8 million passengers in 2040) with it. This increase includes significant modal shift.

According to the CBA, all economic indicators suggest the project is economically viable and it will generate net positive socio-economic effects for society but mainly in the context of the fully implemented wider associated project. The main economic benefit of the project will be time savings, albeit it could be overestimated due to the broader scope of the traffic forecast.

The project will also have positive social, environmental and other impacts, but these will also materialize in the context of the wider associated project. There will be positive impact on modal split, as it is predicted that 75% of the demand for the new rail services comes from cars and 15% from buses, and another 10% is new induced traffic. Also, positive environmental benefits are expected, as road congestion will be reduced and road safety improved.

Although generally presented, positive effects are expected on the rail network's interoperability, wider regional development and competitiveness, capacity improvements, connectivity, and land use because of the new, faster railway line and transfer of demand from other modes of transport.

Moreover, the project will enhance railway infrastructure resilience by means of signaling and safety system upgrades and will improve service quality on the railway line by increasing the train frequency and reliability.

The requirement on climate proofing of infrastructure is not mandatory, as the EIA has already been completed. Nevertheless, relevant information is provided on the project development in line with the climate proofing requirement.

Appropriate mitigation measures are described to prevent and decrease the negative impact on the environment and to preserve biodiversity in the concerned areas.

Climate resilience has been taken into consideration during the project planning and design. Information about climate resilience is adequately addressed and the project shows low sensitivity to the evaluated factors. The results of the climate proofing exercise indicate robustness of the infrastructure in the future climate conditions.

Criterion 5 - Catalytic effect

Score: **4.00** (Threshold: 3 / 5.00 , Weight: -)

The detailed criteria are set out in the call conditions (see Call document).

The catalytic effect of the EU funding is very good.

The project is financially not viable even with the CEF funding, as the financial indicators remain negative: FNPV of around -€2 billion and FRR -3.2%. Based on the CBA, the funding gap of the project is similar to the one for the wider associated project which is 95%.

The CEF funding is justified, as it is sufficiently demonstrated that it is important not only for the project's progress, but it will also play a critical role to support the Global project's financial viability and implementation, as the timely construction planning is a prerequisite for the implementation of the other phases of the Global project.

The CEF grant will have leverage effect because it will mobilize significant public funding for the project, and in addition to that, a total public investment of ca. €2.540 million in the context of the Global project and the wider associated project.

The CEF grant is expected to have credible effect on the commitment of the stakeholders towards the project, as it will reinforce its priority for the stakeholders and enable the implementation in full scope and within the estimated timeframe. This in turn, will also contribute to timely implementation of the Global project.

Moreover, various stakeholders will be positively influenced by the expected economic effects of the Global project on Uusimaa and Southwest Finland, resulting from the boosted transport flows in these regions along the Scandinavian-Mediterranean Corridor. The EU funding would also provide a positive signal and encourage local and regional investments.

Scope of the proposal

Status: **Yes**

Comments (in case the proposal is out of scope)

Not provided

Exceptional funding

Entities from countries mentioned in the work programme (if any) are only exceptionally eligible, if the granting authority considers their participation essential for the implementation of the action.

Please list the concerned applicants and requested grant amount and explain the reasons why.

Based on the information provided, the following participants should receive exceptional funding:

N/A

Based on the information provided, the following participants should NOT receive exceptional funding:

N/A

Global project (including projects of common interest (PCI)) (if applicable)

Status: Yes

If YES, specify which one:

The project is part of the Global Project "Improving the Scandinavian-Mediterranean TEN-T core network and connection between Helsinki and Turku Urban Nodes".

If NO, specify why not:

Not provided

Synergetic elements (if applicable)

Status: No

If YES, specify which one:

Not provided

Digital security (if applicable)

Status:

If NO, specify why not and provide recommendations to address the digital security requirements:

Not provided

Higher funding rate (if applicable)

Status: No

If YES, does the action fulfil the conditions as defined in the Call document, i.e. concerns:

- CEF Transport:

- cross-border links (50%; if applicable)

- cross-border links with integrated management (55%/90%; if applicable)

- railway links between cohesion countries (85%; if applicable)

- railway links between cohesion countries with integrated management (90%; if applicable)

- a military mobility project with a Member State contribution within the meaning of Article 4(13) of the CEF Regulation (85%; if applicable)

- CEF Energy:

- provides a high degree of regional or EU wide security of supply, strengthens the solidarity of the EU or comprises highly innovative solutions as defined in the TEN-E Regulation ('security of supply/solidarity/innovation') (75%; if applicable)

- CEF Digital:

- connecting socio-economic drivers (75%; if applicable)

- strong cross-border dimension (50%; if applicable)

Not provided

Give reasons:

N/A

Project budget

Do you have general comments on the project budget?

A comprehensive budget outline is provided.

For Works calls (Infrastructure Projects) with multiple funding rates, have the costs been allocated to the correct budget categories (works in outermost regions and studies)?

Yes.

Overall comments

The project includes studies and works. The studies consist of construction planning for a new fast, double track railway line (ca.150 km in total) Helsinki - Turku, covering: 96.5 km double-track Espoo-Salo, upgrade of 52 km single track Salo-Kupittaa to double-track, new bridges, demolition and upgrade of existing bridges, new and upgrade of existing tunnels, removal of a level crossing, new stations, railway electrification, power engineering, noise abatement, and signaling systems. The construction works consist of an upgrade of two track subsections Espoo-Hista and Salo-Hajala (ca. 21 km in total), construction of new and upgrade of existing bridges and tunnels, new station, noise abatement, railway electrification and power engineering systems.

The priority and urgency of the project is very good. The project is addressing studies for construction planning for development of the Helsinki-Turku railway connection in Finland as well as works for two track subsections Espoo-Hista and Salo-Hajala. The Helsinki-Turku section is part of the alignment along the Scandinavian-Mediterranean Core Network Corridor. It is convincingly demonstrated that the project contributes to the development and objectives of the TEN-T network. The project is in line with the call objectives and priorities as well as with the railway topic's scope. The EU added value is demonstrated through the contribution of the project to the TEN-T network objectives. The project will contribute to activities related to the climate city contracts of Espoo and Turku.

The maturity of the project is good. The project depends on the railway planning that include studies, measurements, investigations, and plans, and is being prepared in the ongoing CEF1 Action 2019-FI-TM-0256-S ending in 12/2024. There is an interdependence between the studies and works elements of the project. The procurement procedures are well defined and partially advanced. The procedural maturity is good but a number of permits for the construction works are pending for which the applicant will apply before starting the project implementation. The financial maturity of the project is credibility demonstrated.

The quality of the project is very good. The work packages are well structured and detailed with clearly defined scope, sufficient milestones and deliverables, and coherent with the set objectives. Implementation plans are comprehensive and sound, and the planned budget is reasonable. The communication and visibility are adequately described.

The impact of the project is very good. It is well demonstrated that the study elements of the project will be used as a decision-making tool. The project is economically viable and it will generate net positive socio-economic effects for the society but mainly in the context of the wider associated project once this one will be fully implemented. The primary economic benefit of the project will be time savings. Relevant information is provided on the project development in line with the climate proofing requirement.

The catalytic effect of the EU funding is very good. The project is financially not viable even with the CEF funding. The CEF funding is justified, as it is sufficiently demonstrated that is important not only for the progress of the project, but it will also be crucial for the Global project's implementation. Significant public funding will be triggered by the project and CEF grant is expected to have credible effect on the commitment of the stakeholders towards the project.