

# The future of ALPTRANSIT

Prospective and alternative financing for rail infrastructure

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# Financing major rail infrastructure at European level

- CEF II (2021- 2027)



**€25.8 billion**

From 2021-2027  
to support transport  
infrastructure projects



**€11.2 billion**

From the cohesion fund  
for eligible countries



**€1.75 billion**

For military mobility  
To make infrastructure fit for  
military & civilian use

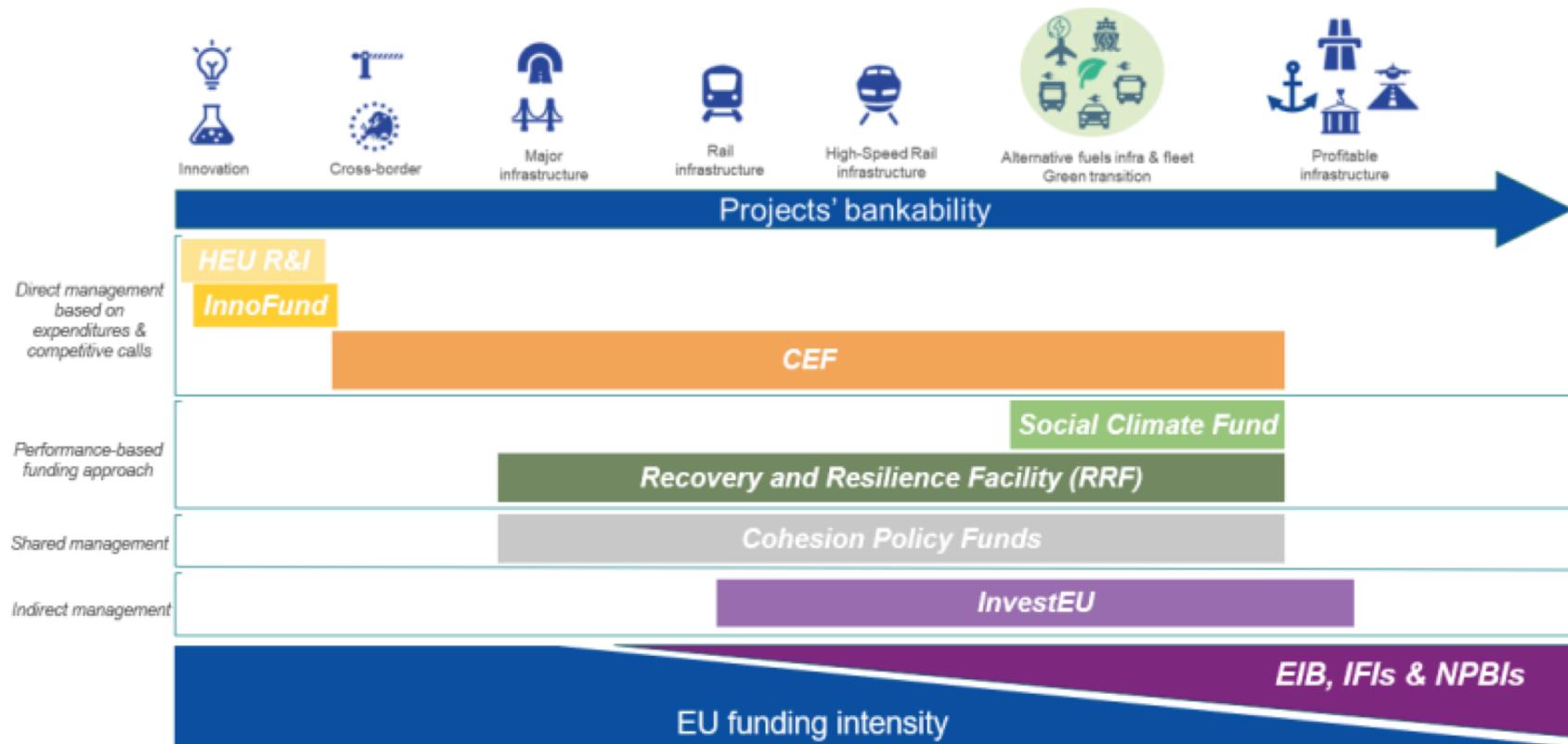
To date, the EU decided to support **804 rail infrastructure projects across the EU** with a total of **€34,4bn through the Connecting Europe Facility**. This accounts for **68.76%** of total CEF investment.

- What to expect for 2028-2034 ?

Proposal for a CEF III with **€51,5bn including €17,65 bn euro for military mobility**



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- The Palermo-Catania example

The modernisation of **178 km of the Palermo-Catania** line will reduce current travel times by a third, with a direct two-hour rail service, with a significant impact on economic, social, and sustainable development in Sicily.

- The EIB has approved a €2.1 billion mega-intervention :
  - **direct €800 million loan** to the Ministry of Economy and Finance (MEF)
  - innovative **€1.3 billion counter-guarantee**, designed with Ferrovie dello Stato Italiane, in favour of financial intermediaries, of which :
    - €500 million has been earmarked with Intesa Sanpaolo,
    - €300 million for the operation with CDP,
    - a further €500 million yet to be allocated.
- The **50% counter-guarantee is backed by the InvestEU programme** and enables the guarantees to be doubled to €2.6 billion. When added to the financing granted to the MEF, this brings the value of the resources activated to €3.4 billion.
- The project is also included in the **Italian Recovery and Resilience Plan** with €1.4 billion.

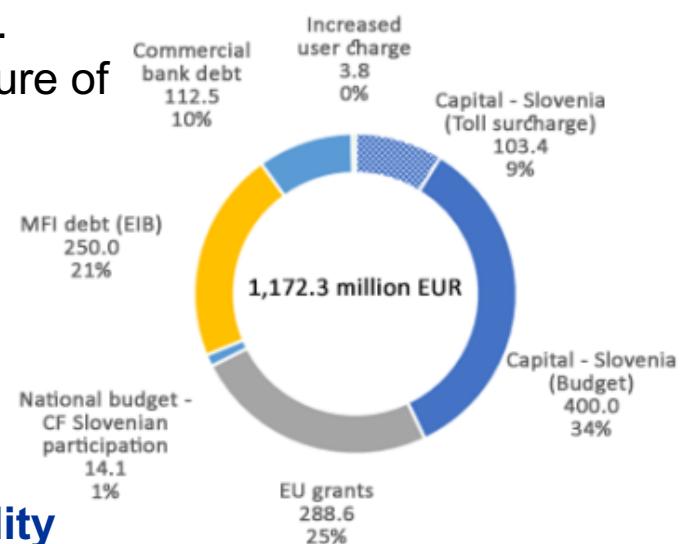


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- Cross financing from road to rail : the example of Divaca-Koper

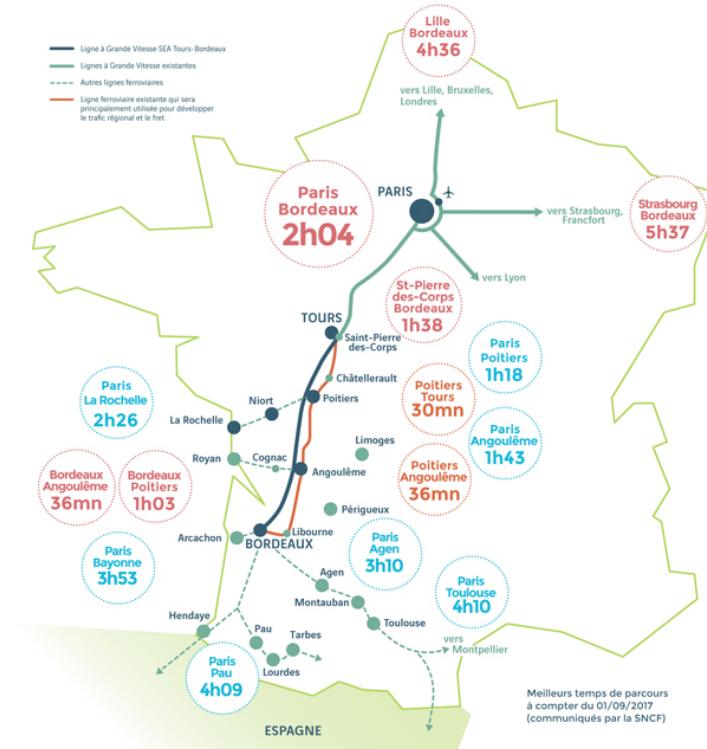
Project will be **mainly financed by the infrastructure users**, i.e. freight carriers by road, railway users and users of the infrastructure of the Port of Koper.

- **Revenues will be ensured through additional taxes:**
  - Highway mark-up,
  - Port tax,
  - Railway user charge.
- **Construction phase financing of the project**
- **Operational phase financing** of the project through **availability payment**



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- Private financing : the example of Tours – Bordeaux concession
  - **Concession for 50 years**
    - Finance, design, build, operate and maintain contract
    - 302 km including 38 km of links to the conventional railway
    - 80 million of passengers since 2017
  - **Financing : €7.8bn**
    - LISEA : SPV (Vinci Concessions, Meridiam and Caisse des Dépôts as of 2025)
    - Loans partially guaranteed by the French State and Réseau ferré de France



# Financing major rail infrastructure at European level

- The network approach
  - Spain : the ADIF Alta Velocidad model
    - A S11 and **State-owned company** to **operate the entire HS network**
    - A **ratio between revenues and expenditures to respect** – requiring a strict accounting management
    - A **debt that doesn't impact national debt**
  - Italy : the RAB model
    - The regulator **delegates the operation of the HSR network** to a dedicated company and remunerates thanks to a fee.
    - A S.11 company **able to raise equity and debt** in order to finance its operations and projects



# Financing major rail infrastructure at European level

- Local taxes

High-speed rail projects in France (GPSO and LNMP) are co-financed through special taxes, which are justified by the anticipated economic benefits the project will bring once completed.

For instance, there are three main types of taxes used to co-finance such projects:

- **The Special Equipment Tax (TSE): an additional tax applied to four existing taxes:**
  - Property tax on developed land,
  - Property tax on undeveloped land,
  - Residence tax on second homes, and
  - Business property tax
- **An extra tax for businesses that already pay the business property tax**
- **An additional tax on the tourist accommodation tax:** this applies to overnight stays in tourist accommodations, such as hotels and vacation rentals



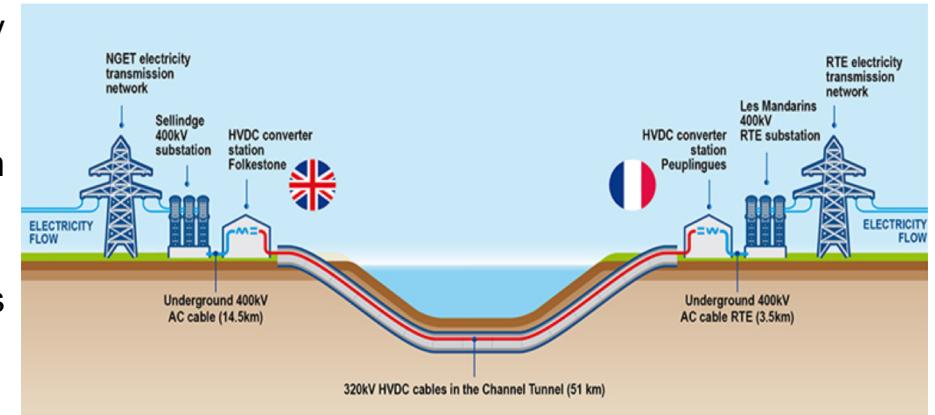
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- Focus on dual use infrastructure
  - “**Dual use of infrastructure**” is a rather **broad concept**, although now it focuses on military mobility :
    - Some rail infrastructure projects can be considered as **dual use** when they address :
      - **both civilian and defence** needs
      - in view to **adjust sections of the TEN-T network** to the **technical requirements on dimensions**
    - **Dual use in military mobility aims to facilitate the movements of armed forces** in Europe to respond better, more rapidly and at sufficient scale to crises erupting at the EU’s external borders and beyond



# Opportunities for additionnal revenues

- **Synergies** - Examples
- **Real estate management** with train stations and property development and management
- **Mobile communication** and **fiber network solutions** in railway megaprojects (incl. international 5G case studies)
- Installation of **renewable energy generation** sources along railway networks (e.g. CH)
- **Eleclink** operates the **electricity interconnector** between the UK and FR, which includes 2 direct current cables inside the Channel Tunnel. These cables enable the electricity produced, on either side of the Channel, to circulate between the two countries as needed



# Other lines of action

- **Improving rentability by design - Examples**

In order to improve rentability and better attract resources from the financial market, potential useful lines of action are:

- reduce construction costs especially of high speed lines (see the [Madrid Workshop](#) of 20-21 May 2025)
- improve access routes to increase traffic (network effect)
- foster competition among different operators to increase traffic and revenue



# Useful references

- The third CBS Report on "[Enabling the uptake of the TEN-T project pipeline by the financial market](#)"
- The TEN-T Coordinators' Joint Position Paper, "[Connecting Europe: A transport funding and financing that is adapted to the challenges ahead](#)"
- The [2028-2034 EU budget for a stronger Europe](#)
- [The technical report of the Joint Workshop on Reducing the Cost of High-Speed Rail Construction of the 9 European Transport Corridors](#)
- The [Implementing the EU High-Speed Rail Master Plan](#) – Florence School of Regulation



# Useful contacts in DG MOVE

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# Thank you



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