



Annual Activity Report 2022

DIRECTORATE-GENERAL FOR MOBILITY AND
TRANSPORT (DG MOVE)

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FOREWORD



Over the past two years the EU's transport sector has been deeply impacted by two major crises – COVID-19 and Russia's military aggression against Ukraine.

In 2022, DG MOVE was heavily involved in the response to Russia's military aggression against Ukraine. From day one, measures were taken to ensure aviation security by banning European flights over the emerging war zone area. Sanctions were also put in place across all transport modes to put pressure on Russia's economy and regime – all of which are having significant effects. We also established several actions in support of Ukraine. A critical achievement was the establishment of EU-Ukraine Solidarity Lanes providing alternative transport routes for Ukrainian exports and imports, via land and inland waterways. They have since become a lifeline for Ukraine's economy and helped enhance global food security. The transport sector also put in place voluntary actions to help Ukrainian refugees' movements in the EU. The EU-Ukraine and EU-Moldova Road Transport Agreements were concluded to liberalise road freight transport and to remove the transport quotas. Commission proposed new temporary EU rules to ensure that people fleeing Ukraine can continue to use their Ukrainian driving licence, without needing to exchange it for an EU driving licence or to sit a new driving test. DG MOVE was instrumental in setting up of a European Air Traffic Management Voluntary Solidarity Fund for Ukraine and Moldova. DG MOVE also continued contributing to the post-COVID-19 recovery through the work on investments under the Recovery and Resilience Facility and the disbursement of funding from the Connecting Europe Facility. We also drew lessons from the COVID-19 crisis and from our response to the Russian aggression against Ukraine, in the first ever Contingency Plan for Transport.

We continued to implement the Sustainable and Smart Mobility Strategy that will enable the fundamental transformation of the transport sector. Inter-institutional work significantly advanced on three "Fit for 55 package" transport proposals – on aviation and maritime fuels, and on alternative fuel infrastructure – all three essential to delivering on the European Green Deal ambitions of this Commission. Admittedly, all this workload had an impact on delivering what we thought back in 2021 we could do in 2022.

This Annual Activity Report provides an overview of our achievements in 2022 relative to the objectives set in DG MOVE's Strategic Plan 2020-2024 and the 2022 Annual Management Plan. Part 1 sets out our main policy achievements over the past year. Part 2 provides insights on how we reached these, the management of resources, and the internal organisation of the Directorate-General.

I am proud of what we achieved in 2022! As we have embarked on a new, yet another challenging year, DG MOVE stands ready to continue delivering on the policies needed.

For more information on the activities of DG MOVE, please visit our website:

<https://ec.europa.eu/transport/>.

Henrik Hololei
Director-General of DG MOVE

DG MOVE IN BRIEF

Under the political guidance of the College of Commissioners, in particular Executive Vice-President Frans Timmermans and Commissioner Adina Vălean, the Directorate-General for Mobility and Transport (DG MOVE) is in charge of developing transport and mobility policies for the European Union.

DG MOVE works with the College and other Commission services to deliver the priorities defined in President von der Leyen's political guidelines. Its actions are based on the competences defined in the Treaty on the Functioning of the European Union, in particular on Title VI on Transport and Title XVI on Trans-European Networks.

DG MOVE develops strategic policies for the transport sector in line with the Commission priorities; it monitors the implementation of existing EU law and makes new legislative proposals; it encourages the exchange of best practices and co-finances infrastructure projects under the Trans-European Transport Network (TEN-T) and Connecting Europe Facility (CEF) Regulations. Its work also includes financial support programmes for research and innovation projects under Horizon Europe and the monitoring of developments in research, which provide feedback to inform policy development. DG MOVE promotes policies internationally, including through bilateral and multilateral transport agreements, and provides information to the public as well as to stakeholders. The budget under the responsibility of the DG is implemented under both direct and indirect management.

DG MOVE works closely with the European Parliament, the Council of the European Union, European Union Member States, European citizens and industry, social partners and other stakeholders. It also works closely with partners in international organisations, in particular the International Civil Aviation Organization (ICAO) and the International Maritime Organization (IMO).

In its work, DG MOVE is assisted by the expert input from several European Agencies, which it oversees: the European Aviation Safety Agency (EASA), the European Maritime Safety Agency (EMSA), the European Railway Agency (ERA), the European Climate Infrastructure and Environment Executive Agency (CINEA), as well as the two Joint Undertakings (JUs): Single European Sky ATM Research 3 JU (SESAR 3) and the Europe's Rail (EU-Rail) JU. DG MOVE has also built a strong partnership with Eurocontrol and is represented on the management board of the Fuel Cells and Hydrogen Joint Undertaking.

The main spending programmes in 2022 that supported the work of the DG MOVE were:

- The support to the three decentralised agencies (EASA, ERA, EMSA) accounted for 26.9% of DG MOVE's spending in 2022.
- The financing of the research and innovation efforts in the rail sector via the EU-Rail JU (27.5%).
- The financing of the modernisation of the European and global traffic management system via the SESAR 3 JU (24%).
- The contribution to CINEA's operating budget (9.8%).

- Directly managed CEF transport support actions, including the main initiative SESAR Deployment Manager Framework partnership (3.4%).
- Other agreements with EU Bodies for the implementation of specific tasks (3.3%).

The CEF-Transport programme is implemented by CINEA. At the end of 2022, the Agency had 875 ongoing CEF-transport projects for EUR 26.8 billion of EU grant support, related to the development of transport infrastructure, smart and sustainable mobility and horizontal priorities such as air traffic management.

Besides the spending programmes mentioned above, DG MOVE substantially contributed to the development of InvestEU and the development of the Recovery and Resilience Facility. It remains involved in the CEF Debt Instruments, contributing to the development of the TEN-T infrastructure and implemented through the European Investment Bank (EIB).

At the end of December 2022, DG MOVE had 423 staff, including external staff (contract agents and SNEs). The total payments made by DG MOVE in 2022 represented EUR 572.24 million at year-end (see Annex 3 for more details).

DG MOVE activities are supported by the 'Shared Resources Directorate' (SRD), shared with DG ENER and administratively assigned to DG MOVE. In 2022, the SRD had 86 staff in Brussels, dealing with assurance and supervision, IT development and systems, logistics and document management, data protection and business continuity coordination, budget and financial management.

EXECUTIVE SUMMARY

This annual activity report is a management report of the Director-General of DG MOVE to the College of Commissioners. Annual activity reports are the main instrument of management accountability within the Commission and constitute the basis on which the College takes political responsibility for the decisions it takes as well as for the coordinating, executive and management functions it exercises, as laid down in the treaties¹.

A. Key results and progress towards achieving the Commission's general objectives and DG's specific objectives

For DG MOVE, 2022 was a year guided by two priorities: **responding to the effects of Russia's aggression against Ukraine and implementing the European Green Deal**². Nearly all units in DG MOVE were involved in providing a comprehensive response to it, which inevitably led to the postponement of some of the deliverables originally planned for 2022. This was also motivated by discussions about the Commission Work Programme 2023 and the need to ensure coherence across proposals.

DG MOVE delivered in 2022 tangible outputs under each of the specific objectives as set out in the Strategic Plan and Management Plan, thus contributing to the Commission general objectives. Examples include:

- European Green Deal, Specific Objective 1: *A sustainable transport area that reduces transport impact on the environment, provides healthier and cleaner alternatives to mobility and increases the uptake of sustainable alternative transport fuels for land, waterborne and air both in the EU and globally* – advancing inter-institutional work on key proposals of Fit for 55 package: FuelEU Maritime³, REFuelEU Aviation⁴, and a revision of the Alternative Fuels Infrastructure Directive⁵; implementing Connecting Europe Facility and preparing for greening freight package adoption in 2023;
- A Europe fit for the digital age, Specific Objective 2: *A smart and innovative transport sector that makes the most of digitalisation and automation, supported by adequate funding* – adoption of Drone Strategy 2.0; advancing inter-institutional work on the revision of the Intelligent Transport Systems Directive⁶; first year of operation for the new Horizon Europe Partnerships;
- An economy that works for people, Specific Objective 3.1: *A fully integrated and connected Trans-European Transport network with appropriate funding for a robust and modern European transport infrastructure with fully restored connectivity* –

¹ Article 17(1) of the Treaty on European Union.

² Most of the MOVE initiatives contributed to multiple political priorities of this Commission.

³ COM(2021) 551

⁴ COM(2021) 561

⁵ COM(2021) 559

⁶ COM(2021) 813

Connecting Europe Days and advancing inter-institutional work on the revised proposal on TEN-T;

- An economy that works for people, Specific Objective 3.2: *An efficient and accessible internal market for transport that drives economic recovery and is governed by clear rules that are applied and enforced consistently* – DG MOVE was in 2022 the second highest contributor to College infringement cycle decisions and it took actions for better enforcement of transport acquis, in particular Mobility Pack I;
- A stronger Europe in the world, Specific Objective 4: *A European Union that acts united in cooperation with key partners and neighbours to improve connectivity links, open-up new market opportunities and promote high safety and security standards* – Solidarity Lanes; subsequent packages of sanctions against Russia and Belarus; EU air transport agreement with the Association of Southeast Asian Nations (ASEAN);
- Promoting our European way of life, Specific Objective 5: *High levels of transport safety and security are ensured, and new security and safety challenges are addressed* – Contingency Plan for Transport; EU-NATO PACE 22 exercise; preparing for maritime package adoption in 2023.

B. Key performance indicators (KPIs)

In line with the Strategic Plan, the following indicators are given special attention:

1. Share of CEF Transport invested into sustainable modes of transport (European Green Deal - see Specific Objective 1)

Baseline (2014-2020)	Interim milestone	Target (2024)	Latest known results
N/A	on path	80% of CEF II Transport committed expenditures	74% (2021) ⁷

2. Transposition rate in transport legislation (An economy that works for the people - see Specific Objective 3.2)

Baseline (2019)	Interim milestone (2022)	Target (2024)	Latest known results (2022)
99,8%	N/A	99% of Directives to be transposed in any given year (Target used by the Commission for the Single Market Scoreboard)	98.96%

⁷ This figure is based on CINEA assessment and expected to further evolve with the individualisation of 2022, 2023 and following years appropriations. Nevertheless, considering the enhanced support to Solidarity Lanes and UA connectivity under the Military Mobility and General calls, it might be that the share of non-climate related expenditure might be slightly higher than initially expected. At the same time, contribution is expected to be in line with the CEF legal base (recital 5) including the goal to dedicate at least 60% of the expenditure to climate related objectives.

3. Estimated risk at closure (Sound Financial Management – see objective 1)

Baseline (2019)	Interim milestone (2022)	Target (2024)	Latest known results (2022)
0.86%	< 2% of relevant expenditure	< 2% of relevant expenditure	0.17%

C. Key conclusions on financial management and internal control

In 2022, DG MOVE managed to maintain a robust degree of control to ensure that its resources were used effectively and efficiently, notwithstanding the extraordinary pressure that the impact of the brutal Russian attack on Ukraine, the ongoing Energy crisis and, in a lesser way, the COVID-19 crisis exerted on its activities. DG MOVE continued to implement the Action Plan of the Sustainable and Smart Mobility Strategy, while mobilising its resources on establishing the Solidarity Lanes to ensure transport connections with Ukraine and fostering an agile budgetary management, an improved IT security culture and enhanced business continuity.

In line with the Commission's Internal Control Framework, DG MOVE has assessed its internal control systems during the reporting year and has concluded that they are effective, and the components and principles are present and functioning well overall, except for principles 10, 11, 12, 14 for which minor deficiencies were identified. As a consequence, Component III (Control activities) is considered as partially effective. Please refer to Section 2.1.3 for further details.

In addition, DG MOVE has systematically examined the available control results and indicators, including those for supervising entities to which it has entrusted budget implementation tasks, as well as the observations and recommendations issued by the internal auditor and the European Court of Auditors. These elements have been assessed to determine their impact on management's assurance about the achievement of the control objectives. Please refer to Section 2.1 for further details.

In conclusion, DG MOVE's management has reasonable assurance that, overall, suitable controls are in place and working as intended; risks are being appropriately monitored and mitigated. Improvements are necessary concerning the effectiveness of internal control principles 10 (Control Activities), 11 (Controls over IT), 12 (Deployment of Controls) and 14 (Communication). The following actions are taken in this respect: increase attention to invoice registration delays, further completion of the IT Security plans and progress in the deployment of collaborative tools. The Director-General, in his capacity as Authorising Officer by Delegation has signed the Declaration of Assurance.

D. Provision of information to the Commissioner(s)

In the context of the regular meetings during the year between DG MOVE and the Commissioner on management matters, the main elements of this report and assurance declaration have been brought to the attention of Commissioner Adina Vălean, responsible for Transport.

1. KEY RESULTS AND PROGRESS TOWARDS ACHIEVING THE COMMISSION'S GENERAL OBJECTIVES AND SPECIFIC OBJECTIVES OF THE DEPARTMENT ⁽⁸⁾

A European Green Deal

Specific Objective 1: A sustainable transport area that reduces transport impact on the environment, provides healthier and cleaner alternatives to mobility and increases the uptake of sustainable alternative transport fuels for land, waterborne and air both in the EU and globally.



The inter-institutional work on three proposals under DG MOVE's responsibility progressed substantially: **FuelEU Maritime** (three trilogues), **Alternative Fuels Infrastructure** (two trilogues), and **ReFuel EU Aviation** (three trilogues). These continued to be complex negotiations given the links to other proposals in the **'Fit for 55' package⁹**, and the pace of work depended on other Institutions. In addition, DG MOVE contributed to the work on the interinstitutional agreements on the EU Emission Trading Scheme (including maritime and aviation), Carbon Offsetting and Reduction Scheme for International Aviation (CORSI) notification, Effort Sharing Regulation, CO₂ emissions standards for cars and vans, Carbon Border Adjustment Mechanism, Social Climate Fund and continued to contribute to discussions on the Renewable Energy Directive, the Energy Efficiency Directive, the Energy Performance of Buildings Directive, and the Energy Taxation Directive. Overall, the work on Fit for 55 proposals required close coordination with other services, as well as within DG MOVE.

Preparatory work progressed on a number of initiatives that will be part of a **'greening freight package'** scheduled for 2023. These included stakeholder consultation, impact assessment support studies for the following proposals: revision of the Directive regulating the maximum weights and dimensions of vehicles in commercial transport, revision (second step) of the Regulation 913/2010 to support the competitiveness of cross-border rail freight traffic; revision of the Combined transport Directive, as well as a new initiative on an

⁸ An Executive Agency uses as heading: "Implementation of the Agency's Annual Work programme - Highlights of the year".

⁹ Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions 'Fit for 55': delivering the EU's 2030 Climate Target on the way to climate neutrality, COM(2021) 550 final of 14 July 2021.

EU framework for the harmonised measurement of transport and logistics Greenhouse gas (GHG) emissions. The Package will promote the decarbonisation of the freight transportation system and make it more energy efficient by removing unnecessary regulatory obstacles (to the Single Market), improving operational efficiency (both within the different modes and at the system-level) and incentivising technology uptake.

DG MOVE also advanced the work on the impact assessment for the revision of the Directive on the certification of train drivers and for the revision of Directive 2005/44/EC on **River Information Services**. For the latter, the public consultation took place in the fall, while the adoption of the revision is scheduled for Q3 2023. The procedure for the adoption of an implementing act on derogations for innovative vessels in inland waters was launched.



In early 2022, DG MOVE launched the operation of the **Renewable and Low Carbon Fuels Value Chain Industrial Alliance**. The alliance focuses on boosting production and supply of renewable and low-carbon fuels in the aviation and waterborne sectors. It is a key flanking measure to the FuelEU Maritime and ReFuel EU Aviation initiatives.

In July 2022, the European Maritime Safety Agency (EMSA) finalised its **Guidance on Shore-Side Electricity**, which is intended to assist in the planning and development of Shore-Side Electricity in ports for the supply of clean energy to vessels at berth¹⁰. The guidance was prepared following extensive consultations with relevant stakeholders and presented at a well-attended event in Lisbon..

A new **standardisation mandate on alternative fuels infrastructure** for the European Committee of Standardisation (CEN)/ European Committee for Electrotechnical Standardization (CEN-ELEC) was adopted in June. A new mandate and composition of the Sustainable Transport Forum was also concluded, while the new industrial alliance on renewable and low-carbon fuels was officially launched. In parallel, preparatory works on the **greening of corporate fleets** initiative continued.

2022 was the first year of implementation of the **New EU Urban Mobility Framework**, a part of the Efficient and Green Mobility package. DG MOVE setup a reformed Commission expert group on urban mobility, and prepared the Commission Recommendation on National Support Programmes for Sustainable Urban Mobility Planning. A number of communication events were organised throughout 2022 to promote Urban Mobility.



This included the annual edition of the **European Mobility Week** in September, with the active participation of approximately 3000 towns and cities from 51 countries. Complementing this event, DG MOVE co-organised with the

¹⁰ [Ship Safety Standards - Shore-Side Electricity \(SSE\) - EMSA - European Maritime Safety Agency \(europa.eu\)](https://europa.eu)

Council Presidency the Urban Mobility Days conference in Brno, bringing together over 500 participants and high interest from the main stakeholders.

DG MOVE helped the Council Presidency to prepare the **annual EU aviation summit** in Toulouse on 3-4 February that saw the adoption of the **Toulouse Declaration** on achieving carbon neutrality in the air transport sector by 2050 by the Commission, 27 EU Member States, 10 other Member States of the European Civil Aviation Conference and nearly 150 companies and stakeholders (federations, trade unions, etc.) from the air and energy sectors.

DG MOVE prepared a Commission Decision on the French measure limiting **short-haul flights** for environmental reasons.

Connecting Europe Facility support for the European Green Deal

In 2022, the **CEF entered full implementation**. The support resulting from the 2021 CEF Transport calls for proposals mostly targeted the railway infrastructure, with key interventions amounting to more than EUR 3.6 billion of EU co-funding, including the completion of the key TEN-T cross-border railway sections of the [Fehmarnbelt fixed link](#), the [Rail Baltica](#), the Brenner ([Northern](#) and [Southern](#) access routes) as well as to improved connections between [Slovakia and the Czech Republic](#) and between [Portugal and Spain](#).

Projects for the completion of the **Inland Waterways infrastructure** along the TEN-T have been selected; in particular supporting the creation of the largest Inland Waterway network in Europe, the [Seine-Escaut](#). To develop short sea shipping routes within Europe, co-funding was ensured for projects for the improved accessibility and enhanced sustainability of maritime ports, such as [Burgas](#) (BG), [Cadiz](#) (ES), [Constanta](#) (RO), [Trelleborg](#) (SE) and [Nantes](#) (FR).

During the 3rd quarter of 2022, the CEF Transport 2022 calls for proposals were launched, opening additional funding possibilities with an extra EUR 6 billion of EU co-funding, further supporting the completion of the TEN-T infrastructure for all transport modes and hence, contributing to the TEN-T policy objectives of efficiency, sustainability and optimisation of the European transport sector, thereby ensuring cohesion among regions and contributing to the completion of the internal market.

The implementation of the programme in the aftermath of the COVID pandemic was complicated by Russia's unprovoked war of aggression against Ukraine. Some projects supported by the programme have communicated issues related to the availability of workforce and the increase of costs for raw materials. Furthermore, inflation linked to the increased costs of energy also strongly affected the implementation of several CEF Transport projects. A large majority of Member States support frontloading of the budget, and if the work programme is amended accordingly, it would mean that most of the available funds would have been allocated in the first three years of the programme.

The roll-out of the CEF Debt Instrument to support green mobility projects continued in 2022, including the signatures of the operation "Easycharger", for the deployment of Electric Vehicles (EVs) charging network on Spanish highways and major roads network (mostly Trans-European Networks - TEN-T) and of the operation "Cabify", for the deployment of 1,400 electric vehicles (EVs) for ride-hailing services in Spain. The remaining operations are only under NER300 budget and will have to be signed by end of 2023, whereas CEF budget was used to the maximum extent possible. Upcoming support to transport projects via financial instruments is now taken up by InvestEU.

DG MOVE prepared three major side-events in the framework of **COP-27** with a focus on decarbonisation of shipping, infrastructure, and sustainable urban mobility. The events brought together politicians and experts from the transport industry and civil society.

The Directive revising the tolls and user charges rules of the **Eurovignette Directive**, for which the co-legislators had reached an agreement in 2021, was formally adopted. Discussions in Council resumed as regards the vehicle taxation rules of the Eurovignette Directive, but no agreement was reached.

DG MOVE continued preparatory work for the revision of the Directive on **ship-source pollution**, which proved challenging due to the technical and legal complexities of the file and the complexity of the quantitative analysis when carrying out a back-to-back evaluation and impact assessment. The revision, scheduled for Q2 2023 should allow for better reporting on incidents and their verification and prosecution results thus leading to better enforcement.

With regards to marine pollution, the 4 implementing acts related to the new Port Reception Facilities Directive, were adopted in early 2022. DG MOVE continued to assist Member States with the enforcement of this still rather new legislation, with the technical support of EMSA.

An interim report for the study on the capacity **of greening seaports** in line with economic development, was received in 2022. The study is expected to be finalised by the end of 2023. A contract for a study with **pilot projects for the greening of the inland waterways ports** was signed in December 2022 and the work has already started.

DG MOVE coordinated Commission and Member States work in putting forward numerous EU **submissions to the International Maritime Organisation** (IMO), most notably submissions on the revision of the IMO Strategy on reduction of ship emissions and the mid- and long-term measures to implement it. Together with Member States, the Commission proposed a technical fuel standard to ensure the uptake of zero- and low-carbon fuels in shipping together with a carbon pricing mechanism to guarantee an equitable and fair transition. This combination mirrors the basket of measures proposed at EU level. The Commission, with Member States, also proposed to revise the global data collection system to monitor, report and verify GHG emissions from ships so that it provides more granular data and better accessibility. Together with China and Japan, the Commission coordinated the Correspondence group on the life-cycle approach for alternative fuels. Defining an effective methodology for a well-to-wake consideration of emissions is one of the most important workstreams at IMO to ensure effective decarbonisation of shipping without shifting emissions to land.

Horizon Europe supporting the European Green Deal



2022 was the second year of Horizon Europe, the Framework Programme supporting transport research and innovation in the Multiannual Financial Framework 2021-2027. The successful completion of 3 major transport calls in January, April and September, for EUR 122 million, EUR 253 million and EUR 91 million, led to new transport research and innovation projects in the areas of road, aviation and waterborne transport, as well as on infrastructures, multimodal network / traffic management, logistics and new mobility services. The Mission on Sustainable and Smart Cities launched 2 major calls in January and April, for EUR 117 million and EUR 42 million. By end of April, 100 EU cities were selected as frontrunners, to become climate-neutral and smart cities by 2030. Overall, as of end 2022, the portfolio of Horizon Europe transport Research and Innovation (R&I) projects managed by CINEA exceeded 120 projects, with a total value of over EUR 730 million.

Throughout 2022, DG MOVE worked on the development of the Horizon Europe Work Programme 2023-2024, including for Cluster 5 (2023-2024) and the Cities Mission (2023), with the final adoption, publication and calls opening in December 2022. In parallel, DG MOVE was engaged in the review of the Horizon Europe Strategic Plan 2021-2024 and the design of the next Strategic Plan 2025-2027.

DG MOVE worked to support the implementation of the 5 landmark Horizon 2020 Green Deal Call projects on green airports and ports, with a total EU contribution of EUR 125 million, delivering immediate impact towards the Green Deal and helping the economic recovery of the transport sector from the COVID-19 pandemic.

Horizon Europe Calls were implemented in 2022, further contributing to the Green Deal and the decarbonisation of the transport sector. This entailed 3 Calls under Cluster 5 on Climate, Energy and Mobility, for a total EU budget of EUR 466 million, as well as 2 Calls under the Cities Mission, for a total of EUR 159 million. Finally, the European Green Deal, as well as the Fit for 55 and REPowerEU packages have also been key drivers for the Horizon Europe Work Programme 2023-24 that was published in December 2022 and will continue to steer the forthcoming Horizon Europe Strategic Plan 2025-2027.

The 5 major Horizon 2020 Green Deal Call projects on green airports and ports for a total EU budget of EUR 125 million (OLGA, STARGATE, TULIPS, PIONEERS and MAGPIE) made significant progress in lowering emissions for the aviation and waterborne sectors, as well as for connecting transport modes, such as road and rail. In addition, new transport R&I and innovation projects were awarded during 2022, for instance:

-  **ULTIMO** Advancing Sustainable User-centric Mobility with Automated Vehicles, EUR 24.2 million, Oct-22 – Sep-26
-  **Next EIRUCK** Efficient and affordable Zero Emission logistics through NEXT generation Electric TRUCKs, EUR 11.4 million, Jul-22 – Dec-25
- **CLIMABOROUGH** Building Green and Climate Neutral City-Hubs, EUR 11 million, Jan-23 – Dec-26

DG MOVE was involved in several other initiatives throughout the year, from the organisation of the bi-annual Transport Research Arena 2022 Conference in Lisbon (with over 2,000 participants), to working with the Joint Research Centre on the Transport R&I Monitoring and Information System (TRIMIS), as well as with CINEA on policy feedback from R&I projects towards EU's Sustainable and Smart Mobility Strategy.

A Europe Fit for the Digital Age

Specific Objective 2: A smart and innovative transport sector that makes the most of digitalisation and automation, supported by adequate funding.



As announced in the Sustainable and Smart Mobility Strategy, the Commission adopted on 29 November 2022 ‘**A Drone Strategy 2.0 for a Smart and Sustainable Unmanned Aircraft Eco-System in Europe**’ to foster

sustainable and smart mobility, while offering new opportunities in the sector. The new Strategy lays out how the European Union can unleash the potential of the EU drone services market and develop large-scale commercial transport drone operations, while also taking account of possible civil-defence synergies at the technology level.

The **SESAR project** saw significant developments in 2022, such as the establishment and the start of activities of the new SESAR 3 JU and the new SESAR Deployment Manager.




The proposal of the Commission of 22 September 2020 to reform the **Single European Sky** (SES) through a modernisation of the management of European airspace and by establishing more sustainable and efficient flightpaths progressed slowly in 2022 in inter-institutional discussions. While DG MOVE provided technical expertise, ultimately the priorities of the relevant Council working group remained prerogative of the Presidencies. DG MOVE also carried out extensive work on the assessment of the **Single European Sky performance targets** and on the assessment of the Network Performance Plan for the third reference period¹¹, and prepared 32 Commission Decisions in the course of 2022.

Preparatory work advanced on a **Common European Mobility data space** and a proposal on **Multimodal digital mobility services** (MDMS). Both initiatives were rescheduled for adoption in 2023, following the need to broaden the policy options.

The first trilogue negotiation on a revised Directive on the **framework for the deployment of Intelligent Transport Systems** took place in December 2022. The revised Delegated Regulation on real-time traffic information was adopted in February 2022 and the updated working programme of the Intelligent Transport Systems (ITS) Directive for the period 2022-2027 was adopted in December 2022. Work on the revision of the Delegated Regulation on multimodal travel information services has progressed well and should be concluded during the first half of 2023. Preparatory work progressed for the adaptation of the **eCall** legal framework to new telecommunication technologies.

The CEF also continued contributing to the **digitalisation of all transport modes** with more than EUR 500 million, channelled through dedicated call for proposals launched in September 2021. In line with the SSMS, investments for the digitalisation of the railway, road, maritime, inland waterways (IWW), aviation sectors, as well as support to multimodality have been provided.

2022 was the first year of operation for the new **Horizon Europe Partnerships**. In 2022, the Cluster 5 Work Programme 2021-2022 and open Calls continued to support R&I activities on transport digitalisation and smart mobility. New projects were launched, for instance on connected and automated mobility, as well as on smart and green EU Inland Waterways:

Project			
Title	A leap towards Society of Automotive Engineers (SAE) Level 4 automated driving features	Safety assurance Framework for connected, automated Mobility Systems	Resilience-centric Smart, Green, Networked EU Inland Waterways
EU budget	EUR 23million	EUR 13.5 million	EUR 7.7 million
Duration	Oct-22 – Mar-26	Sep-22 – Aug-25	Sep-22 – Aug-25

¹¹ https://transport.ec.europa.eu/transport-modes/air/single-european-sky/ses-performance-and-charging/rp3-developments_en

In addition to R&I activities funded via the main Cluster 5 Work Programme, further actions on smart mobility and digital infrastructures were launched in 2022 by the SESAR 3 JU and EU-Rail Joint Undertakings.

Europe's Rail Partnership (EU-Rail) main activities in 2022 included Multi-annual Call for Proposals – EUR 390 million – Q1 2022, Call for Proposals – Exploratory Research Open – EUR 35.8 million Q3 2022, and Call for Tenders Open – EUR 15,4 million – Q1 – Q4 2022 & implementation of new and ongoing contracts.

In 2022, the European Union Agency for railways (ERA) continued the preparation of recommendations for the **revision of technical specifications for interoperability** (TSI). The revision, to be finalised in 2023, will be a milestone for paving the way for automation and enhancing system capacity.

Building on the findings of the evaluation of Directive 2006/126/EC **on driving licences** published in January 2022¹², the Commission worked on the impact assessment and revised legislative proposal, which were adopted in March 2023.

The process for the revision of the legislative framework for the **roadworthiness testing of vehicles** comprising three Directives¹³, including public consultation and evaluation, was launched. The package aims to ensure lifetime compliance of vehicles with **emission and safety standards, as well as to improve the exchange of safety-relevant data** between Member States by means of digitalisation. A new procurement for a study to support an impact assessment on the possible options in this revision has been finalised at the end of 2022, after the initial contractor's work proved to be of insufficient quality.

Concerning the need for an agency or other body to support safe, smart and sustainable road transport operations, a feasibility study was launched in October 2022, to assess the economic, technical, legal and financial feasibility of the different scenarios. Bilateral discussions at technical level were held between Member States authorities and Commission services. If the results of this work show that the initiative is justified, an impact assessment starting in 2023 will be the next step.

In 2022, DG MOVE finalised the first set of **secondary legislation for European Maritime Single Window environment** (EMSWe). That secondary legislation will ease business-to-government data exchange required from a ship for a port call in the EU. It will reduce administrative burden for shipping companies, port operators and relevant authorities and enhance the competitiveness of European ports in the logistic chain. Also in 2022, in line with the implementation plan for EMSWe, DG MOVE worked with DG DIGIT to develop the first harmonised interface for maritime reporting.

¹² SWD(2022) 17 final

¹³ Directives on the periodic roadworthiness tests for motor vehicles and their trailers (Directive 2014/45/EC), the technical roadside inspections of commercial vehicles (Directive 2014/47/EC), and the registration documents for vehicles (Directive 1999/37/EC as amended by Directive 2014/46/EC); Action Plan for the Sustainable and Smart Mobility Strategy actions 7 & 66.



On inland navigation, DG MOVE launched the work to prepare **a proposal on crewing requirements and electronic tools for inland waterway vessels** (a smart tachograph); the impact assessment will be launched in 2023. DG MOVE prepared the terms of reference for a Study with pilots on EU Space Data for **automated vessels on European inland waterways**; it will contribute to the objective of the action plan to boost the role of inland waterway transport in our mobility and logistics systems (NAIADES III)¹⁴ for the development, demonstration and deployment of holistic, smart and automated shipping concepts.

Regarding further **automation of shipping towards autonomous ships and systems**, DG MOVE coordinated the EU input to the relevant correspondence group at IMO with the assistance of EMSA. This led to the adoption of a methodology to develop the Maritime Autonomous Surface Ships (MASS) Code at the Maritime Safety Committee in November. DG MOVE continued working with key partners such as the Norwegian Forum for Autonomous ships and co-organised the third MASS Summit. The Summit allowed for reporting on test trials and collaboration efforts and provided for specific discussions on how autonomous ships and shipping can support the policy aims of zero accidents, zero waste and zero pollution.

An Economy That Works for People

Specific Objective 3.1: A fully integrated and connected Trans-European Transport network with appropriate funding for a robust and modern European transport infrastructure with fully restored connectivity.

A political agreement in Council on the **revised TEN-T Regulation** was reached in December 2022, providing the Council's mandate to enter trilogues in 2023.

The **Connecting Europe Days** were successfully held in June 2022 in Lyon, France, with over 1,500 participants debating on the revamped TEN-T policy.

¹⁴ https://transport.ec.europa.eu/transport-modes/inland-waterways/promotion-inland-waterway-transport/naiades-iii-action-plan_en



In parallel, European Coordinators continued to pursue the implementation of TEN-T projects on the ground, and the fifth version of the Coordinators' work plans for the nine corridors and the two horizontal priorities were finalised. These key deliverables set out the priorities and identify the main TEN-T projects to be implemented in the coming years. The TEN-T Coordinators finalised and presented their **5th work plan**, defining new and revised priorities for each corridor and the horizontal priorities. These work plans were approved by Member States in 2022.

To increase the resilience of the maritime labour system and thereby reinforce European supply chain stability, DG MOVE held discussions with Member States and stakeholders, including social partners on **seafaring crew relief during crises**.

DG MOVE prepared the Communication on a '**Contingency plan for transport**', adopted in May 2022 with the aim to strengthen the resilience of EU transport in times of crisis. The plan draws lessons from the COVID-19 pandemic and also takes into account the challenges the EU transport sector has been facing since the beginning of Russia's military aggression against Ukraine. It was successfully put to the test in the **EU-NATO PACE 22** exercise.

Due to Russia's aggression against Ukraine and its wider consequences for the EU transport, the launch of the study on **the impacts of the COVID-19 pandemic on connectivity and competition in the transport market** was delayed. The support study started at the end of May 2022, with a final report expected in early 2023.

Specific Objective 3.2: An efficient and accessible internal market for transport that drives economic recovery and is governed by clear rules that are applied and enforced consistently.

DG MOVE reviewed and coordinated over 133 proposals for **infringements concerning EU transport acquis** in 2022 (13.5% of Commission decisions, second highest contributor to College infringement decisions). It improved cooperation with Member States through the relaunching of the Package meetings program, coordinated and organised the follow-up at hierarchy level on the yearly Coherence exercise and ensured consistency of DG MOVE's monitoring and enforcement in the Management Plan 2023. A follow-up to the Internal Audit Service (IAS) audit on complaint and infringement management was ensured, in particular in DG MOVE's Enforcement Plan for 2022.

DG MOVE dealt with about 337 **requests for access to documents** in 2022. A new Vademecum on access to documents¹⁵ was developed to facilitate the work of DG MOVE, by providing guidance for the daily work of line units when handling access requests to documents and explaining the procedures to be followed.

Three guidance notes were published to help the Member States, road transport operators and drivers and other stakeholders to interpret the **new Directive on posting rules**. The first guidance note provides answers to the general most frequently asked questions, in particular on the scope of the Directive to its enforcement, sanctions and penalties. The second clarifies when transport of goods drivers are posted, using a range of different scenarios. The third guidance note relates to the transport of passengers.

DG MOVE prepared a Commission decision authorising Poland to grant temporary **exceptions from the rules on rest, breaks and driving times of road drivers for the transport of goods** to address the exceptional impact on the Polish road transport of goods sector of the Russia's military aggression against Ukraine and of the introduction by the Union of sanction packages against Russia and Belarus.



In order to get road transport operators acquainted with using the **new public interface connected to the Internal Market Information System** for posting drivers in the road transport sector, a number of [trainings](#) and Q&A sessions were held in cooperation with the **European Labour Agency** (ELA). In addition, [video tutorials](#) on the use of the portal were published and a testing interface was made available for the operators to train themselves before the launch of the portal. The portal was launched before the start of application of the posting rules on 2 February to allow road transport operators to submit their applications on time and familiarise themselves with the interface.

DG MOVE took several actions to ensure a smooth **implementation of the Mobility Package I**. These included a **communication campaign dedicated to road transport** carried out with the European Labour Authority (ELA), an implementing regulation establishing a common formula for **calculating the risk rating of road transport undertakings**, an update **of implementing regulation on the classification of**

¹⁵ <https://myintracomm.ec.europa.eu/dg/move/NewsPortal/Pages/2022-12-13-access-documents-new-vademecum.aspx>

serious infringements which may lead to the loss of good repute by the road transport operator, as well as guidance in the form of Q&As on **cabotage and on the return of the vehicle every eight weeks to the place of establishment of the road transport operator**. The Guidance Note on cabotage clarifies in particular the cooling off period of four days. The Guidance Note on the return of the vehicle clarifies how this entirely new rule should be interpreted and enforced. In the same vein, the Commission published on DG MOVE's website, guidance on the **new obligation to manually record border crossings in the tachograph through:**

- a Q&A on the interpretation of the location of where the manual recording must take place and
- a guidance note on the practical aspects of manually recording in analogue tachographs.

Another guidance note established a **common form necessary when a control officer removes a tachograph seal**, ensuring that all Member States can then recognise the common written form.

For the first time in the history of State aid control there were **two separate State Aid Temporary Frameworks** put in place: first, the COVID-19 pandemic related temporary framework was prolonged until the summer of 2022. Second, following the events in Ukraine, a new Temporary Framework was swiftly adopted to react to the impact of the Russian aggression in Ukraine and the ensuing energy crisis on EU companies. Transport companies were covered by both. 2022 also saw a number of State aid cases directly relevant for transport, such as fiscal treatment of the shipping industry (tonnage tax and taxation of seafarers), restructuring of airlines and railway operators.

DG MOVE was involved in several actions ensuring the functioning of the EU transport markets, such as preparing a Commission "**Notice on well-functioning and sustainable local passenger transport-on-demand (taxis and PHV)**". This Notice was a first approach to a sector not yet covered by specific EU law or policy. It provided guidance regarding the regulation of taxis and Private Hire Vehicles (PHV) aiming at ensuring adequate and safe local mobility for citizens while improving the sustainability of the sector, in line with the objectives of the European Green Deal and the Sustainable and Smart Mobility Strategy. It clarified that the Member States' measures (at all levels) regulating taxis and PHV need to be in line with the fundamental freedoms underpinning the single market. The Directive revising the **hired vehicles for commercial purposes Directive**, for which the co-legislators had reached an agreement in 2021, was formally adopted in 2022.

DG MOVE also completed **a fact-finding study on the impacts of the COVID-19 pandemic on the aviation ecosystem**. The study will feed into the **revisions of the Slots Regulation and Air Services Regulation** (scheduled for 2023).

With regard to the COVID-19 measures, the **Commission extended the EU Slot Relief** into the winter 2022/2023 and summer 2023 scheduling seasons and also prolonged the

application of justified non-use exceptions. Close monitoring and cooperation with all stakeholders (airports, airlines and slot coordinators) took place to ensure the harmonious and uniform application of the rules.

Work on preparing a comprehensive revision of the **passenger rights regulatory framework** continued, including stakeholder consultation, and commissioning a fact-finding study to bridge the evidence gap identified in the evaluation of Regulation (EU) No 181/2011 concerning bus and coach passenger rights. It is planned for completion in 2023.

DG MOVE undertook a series of initiatives aimed at **making the transport sector more attractive for the workers**. One of them was a Delegated Regulation on standards for service and security of **safe and secure parking areas** and on the procedures for their certification. This initiative is key to fulfilling the objectives of Mobility Package I and is expected to improve working conditions of drivers and protect them from violence and cargo crime.

DG MOVE's **equality mainstreaming** work plan was updated to reflect the 2023 initiatives under the Management Plan and the Action Plan of the Sustainable and Smart Mobility Strategy. A new support contract was launched to carry out a screening of DG MOVE's policies and initiatives and to identify equality gaps. A new network of '**Diversity Ambassadors in Transport**' was also launched. The network will raise awareness on measures, initiatives or actions that promote equality, diversity and inclusiveness in the transport workforce and for transport users. A first meeting is planned for early 2023.

Possible recommendations for the **transition to automation and digitalisation and their impact on the transport workforce**,¹⁶ were discussed with the expert group on horizontal social issues in transport in November 2022. Its adoption is planned for 2023 within the framework of the 2023 European Year of Skills.



¹⁶ Follow-up to the Sustainable and Smart Mobility Strategy, COM(2020) 789 (Action 69 of the annexed Action Plan).

The impact assessment on **driving and rest time rules for drivers involved in the carriage of passengers by bus and coach** was completed which should pave the way for the adoption of a Commission proposal in 2023.

To support the enforcement policy for the Directive (EU) 2017/2397 on the **recognition of professional qualifications in inland navigation** and its amending and delegated acts, a study on the compliance assessment and on the assessment of third country requests for recognition was contracted mid-2022.

A stronger Europe in the world

Specific objective 4: A European Union that acts united in cooperation with key partners and neighbours to improve connectivity links, open-up new market opportunities and promote high safety and security standards.



Russia's military aggression against Ukraine has had a deep impact on the EU transport network and the EU transport policy. As part of the EU's solidarity response, the Commission adopted in May an Action Plan to establish **Solidarity Lanes** to facilitate Ukraine's agricultural exports and bilateral trade with the EU. The Solidarity Lanes have become the lifeline for Ukraine, with new logistics corridors between Ukraine and the EU now firmly

established and using different transport modes (rail, road and inland waterways). The Solidarity Lanes cover trade across all sectors and go in both directions (UA-EU and EU-UA).

Solidarity Lanes – key facts

(-) Between May and end February 2023, they allowed Ukraine to export more than 56 Mt of goods and to import more than 20 Mt of goods it needs. The total value of trade via the Solidarity Lanes since May is estimated at around EUR 69 billion, with more than EUR 25 billion for UA exports and EUR 44 billion for UA imports.

(-) In July 2022, the EU signed road transport agreements with UA and with MD to facilitate the transport of goods by road via the Solidarity Lanes.

(-) On 11 November 2022, the European Commission, Czechia, Poland, Romania, Slovakia, the Republic of Moldova, Ukraine, the European Investment Bank, the European Bank for Reconstruction and Development, and the World Bank Group published a Joint Declaration announcing the pooling of EUR 1 billion for Solidarity Lanes to enhance the capacity of these transport corridors.

(-) Close coordination with Member States, via the network of dedicated national contact points, as well as other crisis and contingency mechanisms, such as the EU Integrated Political Crisis Response and Solidarity Platform.

(-) Launch of the Solidarity Lanes Matchmaking Platform, bringing together EU Member States, Ukrainian and Moldovan authorities, as well as stakeholders involved in the logistics chain. The work of the Platform is supported by IT tools, such as the business matchmaking platform¹⁷

(-) Establishment of the Danube Cargo Information Desk.

¹⁷ https://transport.ec.europa.eu/ukraine/keeping-ukrainian-goods-moving/eu-ukraine-business-matchmaking-platform_en

EU-Ukraine and EU-Moldova Road Transport Agreements were concluded to liberalise road freight transport and to remove the transport quotas. The agreement with Ukraine led to a rapid increase in transport operations: in the first month after application, almost half a million tonnes of Ukrainian agricultural goods were transported – a significant increase compared to the 320,000 tonnes of the previous month. Even once the Black Sea Grain Initiative was agreed in August 2022, allowing the export of limited goods by sea from Ukraine, exports via road continued to rise, reaching 640,000 tonnes in October 2022.

These exports have provided a lifeline for Ukraine's economy. For example, the Agreement also authorised the transit of Ukrainian goods by road through the EU to third countries. Between July and September 2022 alone, this channelled more than €1 billion into Ukraine's economy. The agreement between the EU and Ukraine also provides for the recognition of Ukrainian driving licences and certificates of professional competence.

Agreement with Moldova also helped the country find alternative export paths via the EU. With an original duration until 31 March 2023, it was extended to 30 June 2024 following the mandate of the Council. An extension of the agreement with Ukraine (with an original duration until 30 June 2023) will be decided in the first quarter of 2023.

The Commission adopted in June 2022 an amended proposal for the **revised TEN-T Regulation**, which aims to strengthen the links with Ukraine and the Republic of Moldova, by extending four European Transport Corridors to these neighbouring countries and by downgrading the cross-border links with Russia and Belarus.

DG MOVE accelerated evaluation for the **CEF 2021 Military Mobility call** and anticipated by several months the 2022 Military Mobility funding opportunities. This triggered the faster award of almost EUR 1 billion of CEF funds to key dual use infrastructural components, covering all transport modes and helping the deployment of dual use infrastructure, for instance improving technical parameters for railway bridges and tunnels, improving airport infrastructure for civilian-military traffic, and adapting technical specifications for port infrastructures. As an example, the programme supported rehabilitation projects along the Via Baltica, and in particular at the Lithuanian-Polish border. An important revamp of existing infrastructure and construction of new ones was supported at Rzeszów-Jasionka Airport in the southern part of Poland, near the border with Slovakia and near the eastern border with Ukraine. This will enable the airport to be used as a destination or back-up airport in the event of mass movements of Polish and EU troops, aimed at supporting operations and **Joint Mission EU Security and Defence Policy**.

In September 2022, dedicated calls within CEF Transport 2022 were launched to support the projects aiming at improving transport infrastructure along Solidarity Lanes and at **Border Crossing Points** (BCPs) between the **EU and Ukraine and Moldova**. Ukraine and Moldova¹⁸. Following their request, the work on the association of Moldova and Ukraine to the CEF programme started immediately, with the coordination of the other CEF parent DGs and the dedicated central services, aiming at concluding it in 2023.

¹⁸ Only the transport strand for Moldova.

The impact of sanctions, re-positioning and changing trading patterns amplified an already disrupted maritime transport system. To monitor the economic and logistic impacts on maritime transport and seaborne trade, DG MOVE launched **periodic market analysis and**, with EMSA's assistance, **traffic monitoring**. The reports allow to assess the functioning of supply chains and include impacts on commodities traded by Europe with Ukraine and Russia. Monitoring of the possible impacts of COVID-19 related restrictions in Shanghai and other Chinese ports, continued. At the same time, EMSA ensured an independent monitoring of the implementation of the **Black Sea Grain Initiative**, and shared the monitoring reports with Ukraine and the UN Joint Coordination Centre.

DG MOVE also supported efforts by industry and Member States regarding the specific **situation of seafarers affected by the war**. Seafarers had to endure the consequences of the war, being stranded on board vessels stuck in the Black Sea with complicated repatriation schemes. There were also cases of abductions by Russian military forces and casualties due to the maritime ports shelling. DG MOVE supported also those Ukrainian seafarers who were having difficulties accessing the Temporary Protection status as they had exited Ukraine before the start of the war and for professional purposes.

DG MOVE made a substantive contribution to subsequent **packages of sanctions against Russia and Belarus**. In **aviation**, they covered both flights with Russian owned, operated or controlled aircraft in EU airspace and the export of aviation goods, or support to the use of such goods, to Russia. They undermined Russia's international connectivity, and crippled Russia's aviation industry. Following a sustained campaign from the EU and its allies before and during the 41st ICAO Assembly, the Russian Federation's candidature failed to gather the majority required and Russia is no longer a member of the ICAO Council. DG MOVE coordinated the setting up of a European Air Traffic Management Voluntary Solidarity Fund for Ukraine and Moldova under the responsibility of Eurocontrol aiming to sustain staff/training costs and any other costs to ensure operational readiness when air traffic recovers.

Another **Eurocontrol solidarity mechanism** was set up to assist front-line states struggling with the effects of a sharp drop in air traffic. The Eurocontrol Member States decided to establish two specific funds, one in the form of a donation to Ukraine and Moldova of EUR 46.5 million and one in the form of a loan of EUR 46.1 million to Estonia, Latvia, Lithuania and Poland. The funds are to cover staff and training costs as well as any other costs needed to ensure operational readiness and continuity when air traffic recovers. An Ad-hoc EU Air Safety Committee was held in April 2022 to address the decision of the Russian Federal Air Transport Agency to allow Russian airlines to operate hundreds of foreign-owned aircraft without a valid Certificate of Airworthiness, and the fact that Russian airlines concerned knowingly did so in breach of relevant international safety standards. This resulted in the decision to include 20 airlines certified in Russia on the EU Air Safety List.

DG MOVE assisted DG FISMA with further developing and checking implementation of the **maritime** sanctions. DG MOVE has also been steering the assistance provided by EMSA to Member States to help them with the implementation of sanctions: portal where Member States can download lists of sanctioned vessels and report derogations to the Commission

and EMSA maritime monitoring system; tailored maritime picture to track suspicious vessels; alerts on ship-to-ship activities involving sanctioned vessels. DG MOVE also asked EMSA from the start of the war to issue reports assessing the impact of the war on maritime transport, including data on maritime traffic and detailed information on trade.

As part of the 5th Round of Sanctions against Russia and Belarus, the EU prohibited any **road transport** undertakings¹⁹ established in Russia or Belarus to transport goods by road within the territory of the Union, including in transit, as well as introduced an entry ban on Russian-flagged vessels to EU ports²⁰. DG MOVE also contributed to the drafting of guidance papers for EU Member States and transport operators on these sanctions. Alignment of AETR with provisions of Regulation (EC) No 561/2006 and of Tachograph Regulation (EU) No 165/2014, as amended by Mobility Package 1, was not possible to agree, given the opposition by Russia and Belarus following the Ukraine war.

Ukraine, Moldova and Georgia obtained observer status in the Regional Steering Committee of the **Transport Community Treaty (TCT)** in November 2022. DG MOVE continued in 2022 to support the implementation of the TCT Rail Action Plan. In May 2022, the TCT Ministerial Council endorsed the first edition of the five-year rolling work plan on the indicative extension of the TEN-T in the region. It represents a key milestone for the implementation of the Transport Community Treaty and the achievement of its broad political objectives, laying a sound basis for a common, more focused approach to regional connectivity.

At the same time, the Commission proposed new temporary EU rules to ensure that people fleeing Ukraine can continue to use their **Ukrainian driving licence**, without needing to exchange it for an EU driving licence or to sit a new driving test. The new Regulation – which was adopted in July 2022 – set specific rules on expired, lost and stolen Ukrainian driving licences to reduce the administrative burden for those residing in the EU under the temporary protection regime, following Russia's war of aggression. Digital driving licences issued by Ukraine (DIIA) would also be recognised once verification tools have been made available and deployed by Ukraine. The measures also eased requirements for professional drivers, allowing them to work in the EU during the period of temporary protection and to help export Ukrainian goods. They facilitated bilateral talks in the context of the EU-Ukraine Solidarity Lanes. Ukrainian lorry and bus drivers were able to have their professional qualification, obtained in Ukraine, temporarily recognised in the EU following a short training course and a test.

The Specialised Committee on Road Transport, established by the **EU-UK Trade and Cooperation Agreement**, held its second meeting. It took a formal decision which enables the connection of the UK to the Internal Market Information System (IMI). This decision allowed electronic handling of posting declarations and related administrative cooperation of the EU and UK authorities.

¹⁹ Certain exemptions covered essentials, such as agricultural and food products, humanitarian aid as well as energy.

²⁰ Exemptions applied for medical, food, energy, and humanitarian purposes, amongst others.

Concerning rail, the main challenge of Brexit was to ensure the continuation of the **Channel Tunnel rail traffic services**, both in market and safety terms. Respective legislation had been adopted²¹, for France to negotiate with UK and to allow the continuation of running a joint safety authority for the Channel Tunnel by France and the UK. Thus, the safety certificates and licences of UK established rail undertakings and the Tunnel infrastructure manager remained valid for a limited period after the end of the transitional period. In 2022, the period of validity of safety certificates and licences was further extended to provide for the additional time required to finalise the agreements to achieve the objectives of Regulation (EU) 2020/2222. In 2022 new arrangements were discussed between the UK and France in view of adopting a final agreement.

Two meetings of the **Joint EU-Switzerland Land Transport Committee** took place. Transitory regime for rail safety (one-stop-shop for safety certificates for EU and Swiss railway undertakings and one-stop-shop for vehicle authorisations for EU and Swiss rail manufacturers) was extended by another year, until 31 December 2023.

DG MOVE was also involved in the work of multilateral international transport organisations. At the **Intergovernmental Organisation for International Carriage by Rail** (OTIF), the EU side advocated the development of a global convention on the contract for international carriage of goods by rail as an interface and optional alternative to the two existing regional regimes. An important result was achieved at the **76th session of the UNECE Working Party on Rail Transport** about the “Unified Railway Law” initiative. DG MOVE prepared and negotiated in the Council the mandate of the EU. During the meeting in Geneva, the EU side led by the Commission (DG MOVE) managed to obtain, through a vote on substance, a formal decision on the development of a legally binding instrument on Unified Railway law.

Besides the work on reduction of GHG emissions, DG MOVE priorities for progress at IMO were to contribute to the development of safety guidelines for alternative fuels and on reducing pollution from various sources at global level. A major achievement was the IMO adoption of the **new Mediterranean Sulphur Oxide Emissions Control Area**. Another landmark success was the adoption of **Refuge guidelines** modelled on the EU ones.

In maritime transport, DG MOVE continued to participate in negotiations on international agreements that allow **EU operators to have unrestricted and non-discriminatory access to third countries’ markets** in order to provide services to import and export goods and to transport passengers. In 2022 negotiations continued on a number of trade agreements with several important maritime transport trading partners, such as Australia, New Zealand, and Indonesia. DG MOVE also maintains maritime transport dialogues with important trading partners, such as China, Norway and the United States.

DG MOVE prepared several Council decisions for a coordinated EU position in organisations dealing with **inland waterway transport** such as the UNECE (United Nations Economic Commission for Europe), CESNI (European Committee for drawing up standards in the field

²¹ Regulation (EU) 2020/2222 of the European Parliament and of the Council of 23 December 2020 on certain aspects of railway safety and connectivity with regard to the cross-border infrastructure linking the Union and the United Kingdom through the Channel Fixed Link (OJ L 437, 28.12.2020).

of inland navigation), CCNR (Central Commission for the Navigation of the Rhine) or the Danube Commission, on issues concerning identical requirements in the Rhine Regulation for Personnel with those of the Directive 2017/2397 on the Recognition of professional qualifications in inland navigation. The Commission financially supported through CEF the CCNR, CESNI (the services contract and respectively the grant were signed in 2022) and the Danube Commission (tender/negotiated procedure launched, contract to be signed early 2023).

At the **41st ICAO Assembly**, DG MOVE contributed to the good results for the EU in all areas: environment, safety, air navigation, security, economics and facilitation. The EU strategy for recovery after the COVID-19 pandemic, including its EU DCC (EU Digital COVID Certificate) constitute a benchmark for recovery worldwide, and an example of action to increase resilience, recognised at ICAO level.

Significant progress was also made during 2022 as regards the finalisation and implementation of **comprehensive EU air transport agreements**. In October 2022, the EU signed the air transport agreement with ASEAN. In May 2022, the Commission adopted proposals for Council decisions to open negotiations with Colombia, India and South Korea.



In September 2022, the EU and **Japan finalised negotiations on a Horizontal Agreement** that will restore legal certainty to all bilateral air services agreements between Japan and EU Member States.

In 2022, DG MOVE, in coordination with EASA, continued its worldwide investment in **aviation safety** and partnership for technical cooperation in civil aviation by renewing the Aviation Partnership Project with Latin America and the Caribbean and by revitalising technical cooperation in the southern neighbourhood. Specific and ad-hoc technical assistance was provided to Moldova, Mozambique, and Nepal.

14 regulatory proposals were adopted in 2022 to enhance the implementation of the EU's **aviation safety regulatory framework**, thus ensuring a continued safe, secure, environmentally sustainable, and socially acceptable aviation safety system. These included finalising (to the level of the Commission adoption) the review of the Air Safety List and the Third Country Operator (TCO) regulations to clarify existing provisions and improve the synergy and coherence between the two acts. The final step of the legislative process is currently on-going and is expected to be finalised in Q1 of 2023.

Promoting Our European Way of Life

Specific Objective 5: High levels of transport safety and security are ensured, and new security and safety challenges are addressed.

DG MOVE prepared a Commission **Action Plan on Military Mobility 2.0**, building on the success of the first action plan of 2018. The 2022 action plan broadens the scope of Military Mobility by addressing the threats and challenges stemming from the new security environment. The identification of the gaps and bottlenecks in the physical transport infrastructure in the Member States, which might hamper short notice and large-scale deployments of military forces will be assessed in 2023.

DG MOVE finalised successfully 2 out of 3 impact assessments for the **revision of the legislation on maritime accident investigation, port state control and flag state responsibilities**. For the latter, the impact assessment is being finalised. The delays encountered to deliver on the impact assessments and consequently the revision proposals relate to methodological issues, lack of maritime data and most importantly staff being taken over by other more urgent tasks such as the preparation and follow-up of maritime sanctions against Russia. The revision proposals are planned for adoption in the first half of 2023 together with the ship-source pollution Directive and the EMSA mandate as part of the 'maritime package'.

The major output was the inter-institutional negotiation and agreement in December on the revised EU Directive on **specific stability requirements for ro-ro passenger ships**. The review of the Directive is linked to the developments on damage stability requirements at IMO, where amendments to the SOLAS (Safety of Life at Sea) Convention entered into force in 2020. The new aligned Directive will ensure a level-playing field while maintaining the required safety level.

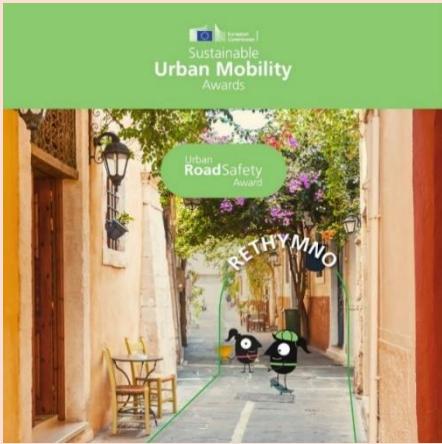
In 2022 DG MOVE conducted 20 EU Aviation **Security Inspections** and 3 third country aviation security assessments, as well as 14 Maritime Security Inspections.

DG MOVE dedicated particular effort to check the implementation of EU legislation on **minimum levels of training of seafarers in EU Member States** and in third countries, given the importance of the human factor for maritime safety. DG MOVE relied on EMSA assistance through their visits to Member States and inspections in third countries to ensure that they comply with the minimum requirements established in the related Directives. DG MOVE pursued infringement procedures with EU Member States and concluded on assessments for third countries' seafarers training and certification systems.

Preparatory work, including impact assessment and public consultation, to revise Directive (EU) 2015/413 facilitating cross-border exchange of information on road-safety-related traffic offences (**Cross-Border Enforcement Directive**) was launched in 2022. The Directive allows Member States to identify EU drivers who commit traffic offences abroad with the help of an electronic information system. The impact assessment successfully passed the scrutiny of the Regulatory Scrutiny Board in July 2022, and the draft of the legal proposal (amendment to the existing Directive) was under preparation.

EU Urban Road Safety Award

Rethymno Greece was the winner of the 2022 “EU Urban Road Safety Award”, which was held in a joint ceremony with the European Mobility Week Awards and the Sustainable Urban Mobility Planning (SUMP) awards on 28 March 2022. The European Road Safety Charter, the largest civil society platform for road safety with more than 3 500 members, continued to act as a platform for sharing good practices on road safety across Europe. The Excellence in Road Safety Awards presented in October 2022 rewarded innovative and impactful road safety initiatives in Belgium, Germany, Slovenia, and Spain. The European Road Safety Observatory continued to deliver useful and well-presented road safety statistics and analysis. The pages of the European Commission website dedicated to road safety were revamped, making it easier to access



national registration documents, roadworthiness certificates and driving licenses as well as the latest data and analysis and news on policy developments.

Rethymno’s inclusive approach to road safety targets included three main pillars: upgrading the public transport system, increasing and encouraging behavioural change through a variety of activities, and the establishment of integrated cooperation with local stakeholders. This comprehensive approach helped Rethymno balance its role as a tourist destination with the needs of local residents. The Greek city has also sought to replicate its success by sharing its experience and lessons learned with other municipalities to enhance the multiplication and transferability of road safety measures.

The other finalists were Florence (Italy) and Warsaw (Poland).

2. MODERN AND EFFICIENT ADMINISTRATION AND INTERNAL CONTROL

2.1. Financial management and internal control

Assurance is provided on the basis of an objective examination of evidence of the effectiveness of risk management, control and governance processes. This examination is carried out by management, who monitors the functioning of the internal control systems on a continuous basis, and by internal and external auditors. The results are explicitly documented and reported to the Director-General. The following reports / documentation have been considered:

- the reports by Authorising Officers by Sub-Delegation (AOSDs);
- the reports from Authorising Officers in other Directorates-General managing budget appropriations in cross-delegation;
- the reports on control results from entrusted entities in indirect management as well as the result of the Commission supervisory controls on the activities of these bodies;
- the contribution of the Internal Control Coordinator, including the results of internal control monitoring at the Directorate-General level, including the results of the annual risk assessment exercise;
- the reporting on the implementation of DG MOVE's Anti-Fraud Strategy;
- the reports on recorded exceptions, non-compliance events and any case of 'confirmation of instructions' (Art 92.3 Financial Regulation);
- the reports of the ex-post audit;
- the limited conclusion of the Internal Auditor on the state of control and the observations and recommendations reported by the Internal Audit Service (IAS);
- the observations and the recommendations reported by the European Court of Auditors (ECA).

The systematic analysis of the available evidence provides sufficient guarantees as to the completeness and reliability of the information reported and results in a complete coverage of the budget delegated to the Director-General of DG MOVE.

This section covers the control results and other relevant elements that support management's assurance. It is structured into 2.1.1 Control results, 2.1.2 Audit observations and recommendations, 2.1.3 Effectiveness of internal control systems, and resulting in 2.1.4 Conclusions on the assurance. Annexes 7 and 8 provide details regarding the different elements used for building assurance.

2.1.1. Control results

This section reports and assesses the elements identified by management which support the assurance on the achievement of the internal control objectives (ICO)²². The DG's assurance building and materiality criteria are outlined in Annex 5. Annex 6 outlines the main risks together with the control processes to mitigate them and the indicators used to measure the performance of the relevant control systems. Annexes 7 and 8 provide details regarding the different elements used for building assurance.

DG MOVE uses internal control processes to ensure sound management of risks relating to the legality and regularity of the underlying transactions it is responsible for, taking into account the multiannual character of programmes and the nature of the payments concerned.

The overall control objective is to ensure that the residual error rate affecting the relevant expenditure of 2022 remains below 2%. For the expenditure under the Horizon 2020 (H2020) programme, the control system aims at giving a reasonable assurance that the risk of error over the course of the multiannual expenditure period is, on an annual basis, within a range of 2-5 %, with the ultimate aim to achieve a residual level of error as close as possible to 2%.

Overview of the 2022 budget implementation

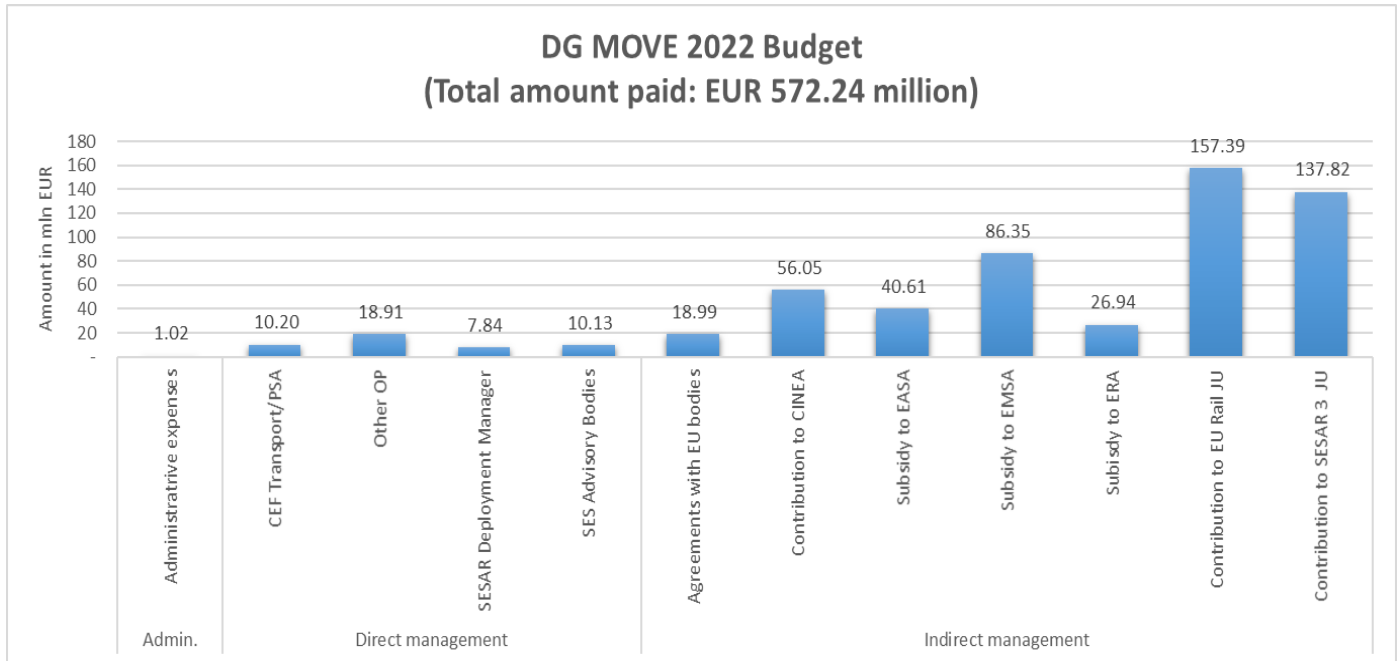
The total payments of DG MOVE in 2022 amount to EUR 572.24 million. The vast majority being operational as the administrative part only accounts for 0.18%. In 2022, DG MOVE had a very high execution of its payment appropriations (99%). DG MOVE furthermore implemented 100%²³ of its commitment appropriations (EUR 565.9 million).

The chart below provides an overview of DG MOVE's implementation of its programmes and activities under:

- direct management (8.4% of the expenditure, which includes grants and procurements related to the research programmes, Connecting Europe Facility (CEF) Transport/Programme Support Actions, SESAR Deployment Manager, Single European Sky (SES) Advisory bodies, administrative and other direct expenditure; and
- indirect management (91.6% of the expenditure), including the contribution to entrusted entities (Joint Undertakings and Decentralised agencies) and the agreements with EU bodies.

²² 1) Effectiveness, efficiency and economy of operations; 2) reliability of reporting; 3) safeguarding of assets and information; 4) prevention, detection, correction and follow-up of fraud and irregularities; and 5) adequate management of the risks relating to the legality and regularity of the underlying transactions, taking into account the multiannual character of programmes as well as the nature of the payments (FR Art 36.2). The 2nd and/or 3rd Internal Control Objective(s) (ICO) only when applicable, given the DG's activities.

²³ Based on C1, C2, C5 and E0 credits only (commitment appropriations voted in the current budget, budget modifications and other current year commitment appropriations, modifications due to amending budgets and transfers) while tables 1 and 2 of Annex 3 include all authorised appropriations.



In addition to this expenditure, DG MOVE manages a share in the CEF Financial Instrument investments (EUR 561.43 million) (see Annex 7 for details).

DG MOVE's management factually concludes that the control results, presented in the sections that follow are complete and reliable and provide reasonable assurance about the achievement of the internal control objectives. It should be highlighted that:

- Based on the main indicator results available, overall suitable controls were in place in 2022 and worked as intended;
- As regards the SESAR Deployment Manager, the residual error rate decreased from 2.48% in 2021 to 1.87% in 2022;
- No new reservation is introduced in this Annual Activity Report (AAR) as DG MOVE has reasonable assurance that overall suitable controls are in place and work as intended, taking into account also the multiannual character of the main programmes. The risks are mitigated and/or monitored; improvements and reinforcements are being implemented.

In line with the 2018 Financial Regulation, DG MOVE's assessment for the new reporting requirement is as follows:

- No cases of "confirmation of instructions" (new FR art 92.3)
- No cases of financing not linked to costs (new FR art 125.3)
- There are two Financial Framework Partnerships with a duration of more than 4 years (new FR art 130.4), one of which, SESAR 3 JU that entered into force during the reporting year 2022, and a pre-existing one with the SESAR Deployment Manager that was amended in 2022.
- Cases of flat-rates >7% for indirect costs (new FR art 181.6) – DG MOVE manages a limited number of H2020 grants. According to the H2020 and Horizon Europe (HE) Rules for Participation, indirect eligible costs of grants are determined by

applying a flat rate of 25% of the total direct eligible costs. It is the basic act that derogates from the FR in this case. This applies to all H2020 and Horizon Europe grants, although in some cases the 25% could be directly embedded within a unit cost.

- No cases of "Derogations from the principle of non-retroactivity of grants pursuant to Article 193 FR" (new FR art 193.2).

1. Effectiveness of controls

a) Legality and regularity of the transactions

DG MOVE's portfolio consists of segments with a relatively low error rate, thanks to the inherent risk profile of its activities, their management mode and the nature of the beneficiaries, and the performance of the related control systems. It mainly concerns CEF transport/programme support actions, the directly managed procurements, indirectly managed expenditure and payments made to the entrusted entities. The assessment on legality and regularity for the directly managed Horizon 2020 funds shows that the estimated residual error rate is below 2%.

One segment has a relatively high detected error rate i.e., the directly managed SESAR Deployment Manager Framework partnership (7.14% in 2022 versus 8.07% in 2021). The error rate is due to the complexities of the mechanism and the type of beneficiaries. This error rate is mitigated by efforts made to reinforce the related controls systems, resulting in a residual error rate below 2%. A new implementation model involving Eurocontrol was introduced in 2022.

Overall, on the one hand, the ex-ante controls put in place by DG MOVE contributed to the achievement of the policy and operational objectives and provided an assurance that the projects are running adequately. On the other hand, the ex-post controls had a positive deterrent effect within the programmes, fostering system improvements and a better compliance with regulatory provisions. More details on these measures and on the quantified benefits from the ex-ante and ex-post controls exercised by DG MOVE are disclosed in Annex 7.

Regarding indirect management, the key elements considered for the assurance are the delegation of expenditure of the two JUs, the contributions paid to the Decentralised Agencies and the CEF Debt Instrument. The reports received from the entities implementing indirectly managed expenditure provide the necessary assurance.

The report received from the EIB regarding the DG MOVE share in the CEF Debt Instrument indicates a negative economic result amounting to EUR (58.79) million. This non-realised loss mirrors the evolution of the fair value of the portfolio, in a context of increasing interest rates.

In addition, DG MOVE has in place an effective mechanism for correcting errors, through ex-ante and ex-post controls, resulting in preventive and corrective measures, respectively. Please see table below for details:

	Preventive Measures (m EUR)	Corrective measures (m EUR)
Implemented by the Commission		
<i>of which from EU controls</i>	0.14	(0.02) ²⁴
Total DG MOVE	0.14	(0.02)

Based on all the above, DG MOVE presents in Table X an estimate of the risk at payment and risk at closure for the expenditure managed during the reporting year:

Table X: Estimated risk at payment and at closure (amounts in EUR million)

The full detailed version of the table is provided in annex 9.

DG MOVE	Payments made	Relevant expenditure	Estimated risk (error rate %) at payment		Estimated future corrections and deductions		Estimated risk (error rate %) at closure	
	m EUR	m EUR	m EUR	%	m EUR	%	m EUR	%
Administrative expenditure (RCS 3)	1.02	1.02	0.00	0.5%	0.00	0.00%	0.00	0.00%
CEF Transport /Programme Support Actions (RCS 2)	10.17	13.18	0.07	0.5%	0.03	0.21%	0.04	0.29%
Other Operational expenditure (RCS 3)	18.91	17.16	0.09	0.5%	0.04	0.21%	0.05	0.29%
SESAR Deployment Manager (RCS 2)	7.84	5.75	0.50	7.14%	0.30	5.27%	0.11	1.87%
SES Advisory Bodies (RCS 3)	10.13	10.25	0.05	0.5%	0.02	0.21%	0.03	0.29%
Agreements with EU Bodies (RCS 5)	18.99	0.74	0.00	0.5%	0.00	0.21%	0.00	0.29%
Contribution to SESAR 3 JU (RCS 4)	137.82	54.36	0.27	0.5%	0.11	0.21%	0.16	0.29%
Contribution to EU-Rail JU (RCS 4)	157.39	44.65	0.22	0.5%	0.09	0.21%	0.13	0.29%
Subsidy to EASA (RCS 5)	40.61	39.63	0.00	0%	0.00	0.00%	0.00	0.00%
Subsidy to EMSA (RCS 5)	86.35	83.50	0.00	0%	0.00	0.00%	0.00	0.00%
Subsidy to ERA (RCS 5)	26.94	27.69	0.00	0%	0.00	0.00%	0.00	0.00%

²⁴ The negative amount of the corrective measures in the above table is due to cancellations of the previous years' recovery orders which exceed the recovery orders issued in the current reporting year. These cancellations amounted to EUR 0.44 million in 2022.

DG MOVE	Payments made	Relevant expenditure	Estimated risk (error rate %) at payment		Estimated future corrections and deductions		Estimated risk (error rate %) at closure	
	m EUR	m EUR	m EUR	%	m EUR	%	m EUR	%
A: Total without contribution to EA's operating budget	516.19 m EUR	297.92 m EUR	1.12 m EUR	0.37%	0.60 m EUR	0.20%	0.52 m EUR	0.17%
<i>CINEA</i>	56.05	43.00	0.21	0.5%	0	0	0	0
B: Total of DG 's contributions	56.05 m EUR	43.00 m EUR	0.21	0.5%	0	0	0	0
Total DG A+B	572.24m EUR	340.92 m EUR						

The estimated overall risk at payment for the 2022 expenditure is the Authorising Officer by Delegation's (AOD) best conservative estimate of the amount out of the relevant expenditure during the year, not in conformity with the contractual and regulatory provisions applicable at the time the payment was made. This expenditure will subsequently be subject to ex-post controls and a proportion of the underlying errors will be detected and corrected in subsequent years. This in turn corresponds to the conservatively estimated future corrections for 2022 expenditure.

The difference between those two amounts results in the estimated overall risk at closure²⁵ of EUR 0.52 million or 0.17% of the Directorate-General's (DG) total relevant expenditure for 2022, which is lower compared to 2021 (the corresponding figures for 2021 being EUR 1.17 million or 0.43%). This evolution takes into account more realistic assumptions as regard the amounts at risk and the estimated future corrections related to the contributions made to the two JUs (see Annex 10 for details). This amount is a conservative estimate and is not considered material as regards assurance building.

For an overview at Commission level, the departments' estimated overall risk at payment, estimated future corrections and risk at closure are consolidated in the Annual Management and Performance Report (AMPR).

b) Fraud prevention, detection and correction

DG MOVE has developed and implemented its own anti-fraud strategy since 2012, on the basis of the methodology provided by European Anti-Fraud Office (OLAF). It is updated every three to four years. It was last updated in October 2020. Its implementation is being monitored and reported to the management through DG MOVE's Control Board. All necessary actions have been implemented. The revision of the action plan for 2023-2024 is on-going.

²⁵ This is the AOD's best, conservative estimation of the expenditure authorised during the year that would remain not in conformity of applicable regulatory and contractual provisions by the end of implementation of the programme.

DG MOVE also contributed to the Commission anti-fraud strategy and followed up 100% of the received financial recommendations.

In 2022, DG MOVE obtained tangible results thanks to the anti-fraud measures in place. It achieved its objectives in terms of representation in networks and working groups and awareness raising. Finally, it contributed to the peer reviews of the antifraud strategies of partner EU bodies. It had a smooth and effective cooperation with OLAF.

On the basis of the available information, DG MOVE has reasonable assurance that the anti-fraud measures in place are effective. In its action plan 2023-2024, DG MOVE will have a special focus on raising staff awareness on ethics and on the effective prevention of conflicts of interests.

c) Other control objectives: safeguarding of assets and information, reliability of reporting (if applicable)

The general controls objectives “Safeguarding of assets and information” and “Reliability of reporting” are relevant for DG MOVE.

The safeguarding of assets is limited to the question of contingent liabilities. These elements correspond to the guarantees given in the framework of the CEF Debt Instrument. These guarantees increased in line with the underlying risk.

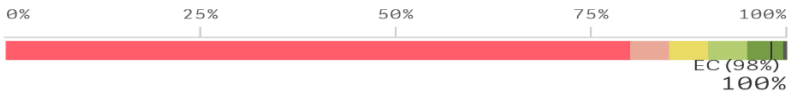
DG MOVE assessed the reliability of reporting it receives from the entrusted entities (the EIB, EMSA, EASA, ERA, EU-Rail JU and SESAR 3 JU). The information received is compliant with the applicable guidance. DG MOVE concludes that overall, the information and reporting are reliable and adequate for drawing assurance conclusions.

DG MOVE also relied on unqualified opinions of the accounts and management reporting from its entrusted entities.

2. Efficiency of controls

The assessment of the most relevant key indicators and control results shows that DG MOVE is compliant with the rules and efficient with the budget execution.

As far as the ‘**timely payments**’ indicator is concerned (i.e., payment accepted amount in time/payment accepted amount in EUR), and despite the extraordinary circumstances and increased pressure on its activities, DG MOVE managed to achieve 100%, above the Commission average.

Timely Payments	MOVE Score	EC Score
	100%	98%

Due to the limited exposure to directly managed grants, the time-to-grant and time-to-inform indicator are not relevant for DG MOVE.

Initiatives to improve the efficiency of operations include:

- an Action Plan to monitor the individualisation of global commitments and the procurement procedures. It led to high levels of budget implementation, individualisation of all the global commitments and reduced number of global commitments at the end of 2022. The plan will be reconducted in 2023.
- DG MOVE reviewed its procurement controls and the gains achieved through the use of corporate tools. Management decided to phase out the optional advisory contract and procurement committee and to replace it by simpler and more targeted ex-ante legal controls, reducing the administrative burden.
- A lump-sum decision was adopted for the disbursement of CEF technical assistance to Member States, rationalising the management of these projects and improving the resource allocation.
- Throughout the year DG MOVE engaged in campaigns to improve ABAC data quality by correcting encoding errors and contributing to the Financial Transparency System exercise. This led to an outstanding 99% score for the “Data quality management” indicator.

3. Economy of controls

Ex-ante controls contribute to the achievement of the policy and operational objectives and provide an assurance that the projects are running adequately. Ex-post controls have a positive deterrent effect within the programme, which will foster system improvements and a better compliance with regulatory provisions.

Overall, the total cost of the controls performed by DG MOVE in 2022 was EUR 9.74 million or 1.7% of the payments made in 2022. This cost is proportionate to the activities and comparable to the costs for 2021 of EUR 9.11 million (see Annex 7, in particular table Y).

The costs reported regarding grants under direct management should be looked at considering several aspects. These controls cover not only the directly managed expenditure, but also the participation to the research programmes, for which the projects are implemented by CINEA, EU-Rail JU and SESAR 3 JU. The relatively high cost for directly managed procurements are driven by the heterogeneity and the number of transactions. For the SESAR Deployment Manager and CEF Transport/Programme Support actions the costs remain stable.

The costs related to financial and supervisory controls for both the JUs and the decentralised agencies are stable and remain low, under or around 1%. The costs exposed by the entities for the management of the entrusted tasks remain stable and proportional.

Details of the estimated cost related to shared/pooled control activities carried out by the European Research Executive Agency (REA) and hosted by DG R&I (Common

Implementation Centre; Common Audit Service; Common Policy Centre) for the Research and Innovation family are reported in the AARs of REA and R&I.

4. Conclusion on the cost-effectiveness of controls

Based on the most relevant key indicators and control results, DG MOVE has assessed the effectiveness, efficiency and economy of its control system and reached a positive conclusion on the cost-effectiveness of the controls for which it is responsible.

DG MOVE faces some relatively high costs for its directly managed activities, but these costs are proportionate and necessary. As regards the expenditure under indirect management, the costs of the control system remain low compared to the level of expenditure.

The efficiency and the effectiveness of the controls are supported by quantitative and qualitative benefits, identified in the relevant stages of the process. The costs of the controls remain overall low and the higher cost items are justified by objective needs or by specific circumstances, thus providing a positive impact on the assurance.

The solid controls are instrumental to maintain the programmes on track in terms of schedule and budget. Tangible results are visible.

In conclusion, DG MOVE considers that the current control system represents a good balance between the invested efforts (internal control costs and remuneration fees), the obtained error rates (effectiveness of controls) and delivery of objectives (efficiency).

2.1.2. Audit observations and recommendations

This section sets out the observations, opinions and conclusions reported by auditors – including the limited conclusion of the Internal Auditor on the state of internal control. Summaries of the management measures taken in response to the audit recommendations are also included, together with an assessment of the likely material impact of the findings on the achievement of the internal control objectives, and therefore on management's assurance.

Internal Audit Service (IAS)

In June 2022, the Internal Audit Service (IAS) issued the final audit report on Studies that are input into policy making in DG MOVE, with two important recommendations on the process for the publication in the inter-institutional study database and on the procurement procedures. DG MOVE accepted both recommendations.

In December 2022, IAS issued the final audit report on Programme Implementation phase 1 – CEF Energy and Transport. None of the issued recommendations were addressed to DG MOVE.

As regards the implementation of recommendations from previous audits, both important recommendations from the audit on Support, monitoring and enforcement of transport ‘acquis’ were implemented and closed by the IAS in July 2022.

In its contribution to the 2022 AAR process, the IAS issued the limited conclusion of the Internal Auditor on the state of DG MOVE’s internal control, which concluded that the internal control systems in place for the audited processes are effective.

European Court of Auditors (ECA)

In 2022, DG MOVE was associated in three special reports (SR) of the European Court of Auditors (ECA).

Name of SR	Date of publication	Level of involvement
Special Report 09/2022 “Climate spending in the 2014-2020 EU Budget”	May 2022	Associated
Special Report 13/2022 “Free movement in the EU during the COVID-19 pandemic”	June 2022	Associated
Special Report 01/2023 ”Tools facilitating travel within the EU during the COVID-19 pandemic.”	January 2023	Associated

The audit findings do not indicate a systemic problem in DG MOVE’s internal controls and rather focus on policy development and implementation.

In 2022, DG MOVE was subject to the recurring ECA financial audits on the Declaration of Assurance (DAS) and on audits on the annual accounts of DG MOVE, which were reviewed under Chapter IV of ECA’s Annual Report on compliance - “Competitiveness for Growth and Jobs”. No important or critical shortcomings were identified.

The Director-General is regularly informed of the conclusions and the main recommendations stemming from the work of the auditors. The timely implementation of all recommendations is regularly monitored throughout the year and reported at DG MOVE’s Control Board meetings.

Annex 7, section 2.1.2 provides a comprehensive overview of ECA and IAS audits and the follow-up of recommendations.

Overall, internal and external audit work contributes significantly to the continuous improvement of DG MOVE systems and operations. Transport policy matters continue to be carefully scrutinised by ECA and to benefit from numerous audits and audit recommendations. The IAS, ECA and the Discharge Authority findings and recommendations are subject to a systematic follow up by the Directorate-General. The current residual risk from the audit recommendations remaining open in DG MOVE does not impair the declaration of assurance.

In its conclusion on the state of internal control in DG MOVE, the IAS stated that the internal control systems in place for audited processes are effective.

2.1.3. Assessment of the effectiveness of internal control systems

The Commission has adopted an Internal Control Framework based on international good practice, to ensure the achievement of its policy and management objectives. Compliance with the internal control framework is a compulsory requirement.

DG MOVE uses the organisational structure and the internal control systems suited to achieving its policy and internal control objectives in accordance with the internal control principles and has due regard to the risks associated with the environment in which it operates.

DG MOVE has assessed its internal control system during the reporting year and concluded that it is effective and the components and principles are present and functioning well overall, but some improvements are needed as minor deficiencies were identified in relation to the increase in invoice registration delays (ICF Principle 10), the degree of update of the IT Security Policies /Plans (ICF Principle 11), number of recorded exception cases (ICF Principle 12) and shortcomings in collaboration and communication (ICF Principle 14).

The minor deficiencies identified in the 2021 assessment in relation to non-compliance issues related to procurement procedures and DG MOVE's ability to perform the necessary scrutiny on the EIB were addressed and are now considered as closed.

Improvements were already noted as regards the weakness identified for Principle 11. On-going or planned improvements and/or remedial measures focus on stepping up the IT security and business continuity measures, updating physical and IT security measures, as well as fostering the use of collaborative tools.

2.1.4. Conclusions on the assurance

The audit results, the internal control assessment and the control indicators do not reveal any significant weaknesses and do not fulfil any of the materiality criteria laid down in Annex 5.

The information on financial management and internal control stems from management and auditors as listed in section 2.1.2. These reports result from a systematic analysis of the evidence available. This approach provides sufficient guarantees as to the completeness and reliability of the information reported and results in a comprehensive coverage of the budget delegated DG MOVE.

Overall, the controls carried out by DG MOVE for the management of the budget, implemented directly or indirectly, were effective, efficient and economical for the reporting year. The resources assigned in 2022 to the activities described in this report were used for their intended purpose and in accordance with the principles of sound financial management. The control procedures put in place give the necessary guarantees concerning the legality and regularity of the underlying transactions, safeguarding of assets and information and the prevention, detection and correction of fraud and irregularities.

The conservative assessment of the authorising officer is that the overall amount at risk at closure is not material and corresponds to about 0.17% of the relevant 2022 expenditure.

Concerning the directly managed expenditure, DG MOVE implements appropriate ex-ante and ex-post controls, to the extent that they remain cost-effective and supports the other programme objectives and financial management.

Regarding indirectly managed expenditure, there is no indication of any issue that would impair the assurance. The information received from SESAR 3 JU and EU-Rail JU, from the executive agency CINEA, from EIB and from the decentralised agencies (ERA, EASA, and EMSA) is considered as adequate and reliable.

DG MOVE completed its Anti-fraud action plan for the years 2020-2022 and the revision for 2023-2024 is ongoing.

DG MOVE assessed its internal control systems and concluded that the internal control framework is implemented and functioning as intended, except for Component III (Control activities) that is affected by several minor deficiencies. Some improvements were identified. DG MOVE identified the necessary corrective actions, which will be implemented in 2023. A comprehensive Control Strategy was adopted at DG level. Risk management processes worked as intended and contributed to the good operation of the control systems. DG MOVE demonstrated its agility as an organisation in the management of its budget and its adaptability through efforts in the field of IT security.

In relation to the recommendations issued in 2022 by ECA, none is considered to have a material impact on the declaration of assurance of DG MOVE. All accepted recommendations issued by ECA have led to specific action plans addressing the underlying issues. The current residual risk from the audit recommendations remaining open for DG MOVE does not impair the declaration of assurance.

In conclusion, based on the elements reported above, management has reasonable assurance that, overall, suitable controls are in place and working as intended; risks are being appropriately monitored and mitigated; and necessary improvements and reinforcements are being implemented. The Director General, in his capacity as Authorising Officer by Delegation has signed the Declaration of Assurance.

2.1.5. Declaration of Assurance

Declaration of Assurance

I, the undersigned,

Director-General of DG MOVE

In my capacity as authorising officer by delegation

Declare that the information contained in this report gives a true and fair view²⁶.

State that I have reasonable assurance that the resources assigned to the activities described in this report have been used for their intended purpose and in accordance with the principles of sound financial management, and that the control procedures put in place give the necessary guarantees concerning the legality and regularity of the underlying transactions.

This reasonable assurance is based on my own judgement and on the information at my disposal, such as the results of the self-assessment, ex-post controls, the work of the Internal Audit Service and the lessons learnt from the reports of the Court of Auditors for years prior to the year of this declaration.

Confirm that I am not aware of anything not reported here which could harm the interests of the institution or those of the Commission.

Brussels, 31 March 2023

Henrik Hololei

[e-signed]

²⁶ True and fair in this context means a reliable, complete and correct view on the state of affairs in the DG.

2.2. Modern and efficient administration – other aspects

2.2.1. Human resource management

In 2022, despite its scarce human resources, DG MOVE continued delivering on the Commission political priorities and ensured timely and proper policy responses in transport and mobility in view of maintaining a well-functioning Single Market and a firm response to Russia's war of aggression. This was only possible thanks to the professionalism and commitment of DG MOVE's staff.

2022 saw the adoption of the Corporate HR Strategy, the reorganisation of DG HR which involved new ways of the delivery of HR services, as well as the adoption of the new Commission decision on working time and hybrid working. The implementation implied a series of follow-up actions at local level and resulted in a heavy workload for the HR Correspondent team. Therefore, some of the local actions announced in the 2022 Management Plan had to be postponed to 2023, such as the launch of an internal mobility tool.

DG MOVE Equality network contributed to the corporate equality strategy to help make the mobility sector more inclusive and equal. DG MOVE's Equality Coordinator actively followed up on equality issues and cooperated closely with the Local Equality Focal points across the DG and the HR Correspondent team. Building on the Equality Mainstreaming Work plan of the DG for 2021-2022, DG MOVE prepared the 2023 Work Plan.

DG MOVE continued monitoring the two mandatory HR indicators identified in the Strategic Plan and took the appropriate actions to meet the 2020-2024 targets. DG MOVE intensified its efforts to attract female candidates to middle management functions by carefully assessing current and forthcoming management vacancies in the DG (HR indicator 1). DG MOVE appointed one new female Head of Unit. One more new female middle manager had to be appointed to reach DG MOVE's specific gender target by 2022. DG MOVE's recruitment panels were systematically gender balanced throughout the year. DG MOVE supported DG HR's Female Talent Development Programme by nominating participants and mentors.

DG MOVE also continued to address the staff engagement (HR indicator 2) by specific actions and trainings targeted at managers and staff. DG MOVE organised a number of job-specific and well-being trainings, team events, individual coaching for newly appointed managers, as well as an internal training for managers on boosting staff engagement.

DG MOVE's internal communication actions have consistently ensured that the relevant information on work and well-being reaches all staff in real time and substantially contributed to a continuous high level of staff engagement.

2.2.2. Digital transformation and information management

Data ecosystem

In 2022, DG MOVE implemented the development and test environments of a new data ecosystem. The database schemas of CARE and ICARE have been redesigned based on the corporate data governance principles. The processing of the ICARE aviation data updates were automated via ETL.

Furthermore, the migration of the existing management dashboards was completed. DG MOVE also implemented a public QlikSense dashboard about road accidents. All environments are now hosted in corporate services. The rationalisation of DG MOVE data assets has started. DG MOVE intends to centralise data assets through the widening use of selected information systems.

Digital solutions

The implementation of the new TENtec information system has progressed according to plans and the first version of the system was deployed in production at the end of 2022. Corporate principles on data management are being implemented in TENtec2. The new system introduces major improvements on interoperability with Member State systems across borders, reusability and user experience. The implementation will continue in 2023 and will focus on automatic data exchange with external stakeholders and will provide for the once-only principle. In 2022, DG MOVE completed the implementation of the new Union database on supply chain security (KSDA2) information system.

IT Governance

IT governance in DG MOVE has steadily expanded its monitoring capacity for the portfolio managed in house. Throughout 2022, there has been an increasingly stricter attention to IT governance procedures and project management best practices. Across the projects, a common attention point remains the cooperation with member states and their timely ability to integrate their systems with those of DG MOVE.

EC Collaboration modernisation

In line with the Collaboration Solutions Strategy and more particularly with the proposal for the technical landscape of the “Single Integrated Framework for Collaboration” (SIFC) adopted by the Information Technology Cybersecurity Board in July 2021, DG DIGIT prepared a detailed roadmap for its implementation. Following its approval, the process of migration from the non-retained collaborative platforms (i.e. Connected and MyIntraComm Collaboration or SharePoint on premises) to the corporate ecosystem, including DG MOVE’s one, has already started and is expected to finish by end of 2023.

A relevant challenge in the migration process is the knowledge management and organisation of data and information, avoiding duplication of documents across the organisation. To overcome this challenge, DG MOVE mapped all MyIntraComm collaboration sites, identifying site owners and analysing their current information architecture. A task force was established to define the ecosystem of the future MOVE intranet. This project is

an opportunity to rationalise and streamline DG MOVE's internal online communication and collaboration and render them truly user centric.

IT Security and Business Continuity

In line with the guidance from the corporate services, DG MOVE continued to monitor and update its security plans following a risk-based approach. The current threat landscape has had a direct impact on IT security and business continuity due to the increased threats of cyber-attacks. Following the increasing number of cyber threats, DG MOVE reviewed physical and IT security measures, business continuity plans and procedures. No serious IT security incidents affected DG MOVE's IT systems or staff in 2022. DG MOVE improved staff awareness on IT Security through articles related to phishing and handling of sensitive non-classified information and targeted email communication on the cybersecurity threats. Exercises were performed to test business continuity tools and procedures.

Information Management

In line with the Commission strategy on Information Management²⁷, the Centre d'Administration des Documents (CAD) continued to monitor the efforts of filing documents by DG MOVE, reaching the target of registered documents not filed below 2%. DG MOVE continued to provide comprehensive training on document management to all staff to increase the efficient use of electronic workflows. Emphasis was placed on the handling of Classified and Sensitive-Non-Classified information, including personal data. A guide on the use of the functionalities of Qualified Electronic Signature (QES) single workflow was published. The implementation of a single workflow by the financial unit has been postponed to 2023 pending the improvement of ARES functionalities.

Information Management actions significantly contributed to reducing the reliance on paper storage and increased the efficient use of electronic workflows in line with DG MOVE's goal to fully embrace a more efficient paperless work environment.

In 2022, SRD2 completed the first integration of an IT system in DG MOVE with the corporate records management system Hermes-Ares-Nomcom (HAN). The European Single Sky platform (ESSKY) has been fully integrated in cooperation with SG and DG DIGIT. The inventory of information systems within DG MOVE and the assessment of their preservation needs, launched in 2022 will be completed in 2023 with the identification and planning of further HAN integrations.

Data Protection

DG MOVE continued providing data protections training to its staff in order to raise awareness on the revised data protection rules, such as data protection obligations for data controllers and HR aspects. Approximately 70% of DG MOVE staff attended Data Protection Coordinator's (DPC) information sessions on data protection in the period 2018-2022.

DG MOVE continued working on the implementation of the Commission Data Protection Action Plan. DG MOVE also continued ensuring new processing activities (e.g., supported by

²⁷ Data, information and knowledge management at the European Commission (C(2016) 6626).

IT systems) in compliance with the data protection rules. In particular, DG MOVE ensured a completion of new records once new processing activities were identified. DG MOVE was involved in the work of the Commission's Data Protection Officer and the European Data Protection Supervisor. It also contributed on data protection issues on projects conducted together with other Commission services and decentralised agencies.

2.2.3. Sound environmental management

The European Commission's Political Guidelines for 2019-2024 acknowledge the EU's crucial role in mitigating environmental impacts. DG MOVE implements its initiatives through the European Commission's Environmental Management (EMAS) instrument. The priorities include maximising the efficient use of resources (such as energy, water, and paper), reducing CO₂ emissions, promoting waste reduction, recycling, and sustainable mobility.

This year, DG MOVE continued to contribute to energy conservation by closing its buildings during the holiday season at the end of the year and during weekends. In addition, the upgrade of meeting rooms to support hybrid meetings, which began in 2020, was completed in 2022.

2.2.4. Examples of economy and efficiency

As lead parent DG of the executive agency CINEA, DG MOVE ensured cooperation and regular contacts with other Commission Directorates-General that have delegated their spending programmes to the agency through the Budget and Finance Network. The network allows better information sharing, to anticipate issues and put in place coordinated actions on all budget issues, helping to achieve a more efficient management of the programmes.

The Action Plan that was put in place to improve budget implementation also triggered new ways of working, such as enhanced budgetary planning in coordination with policy units, anticipation and analysis of the type of implementation, etc. It will therefore be launched again in 2023 with the aim to further accompany the efforts of all services in the DG.

In preparation of the migration to the new accounting system SUMMA, DG MOVE participated to the design of a future corporate planning and reporting tool for budget activities based on its experience and its in-house developed VIGIE tool. This project is developed by DG BUDG together with Deloitte and will continue in 2023.

For the implementation of the CEF 2021-2027 (Transport strand), DG MOVE adopted new or reviewed existing decisions on the unit contributions in implementing part of the programme (ERTMS, Rail Freight Noise, Electric vehicles charging infrastructures). The evaluation of the CEF Transport call for proposals will continue to be performed remotely, as some CEF Committee meetings.

In addition, DG MOVE started the migration process of its digital infrastructure to the new SharePoint Online (SPO) environment with the formation of a dedicated task force to shape the future of the MOVE intranet and create a user-centric ecosystem that streamlines internal communication and collaboration.