EUROPEAN
COMMISSION

Brussels, 4.3.2020
COM(2020) 78 final

2020/0035 (COD)

Proposal for a

DECISION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL

on a European Year of Rail (2021)

EXPLANATORY MEMORANDUM

1. CONTEXT OF THE PROPOSAL

• Reasons for and objectives of the proposal

In its Communication of 11 December 2019[1], the Commission set out a European Green Deal for the European Union and its citizens. This Communication resets the Commission's commitment to tackling climate and environmental-related challenges that is this generation's defining task. It is a new growth strategy that aims to transform the Union into a fair and prosperous society, with a modern, resource-efficient and competitive economy where there are no net emissions of greenhouse gases in 2050 and where economic growth is decoupled from resource use. The European Green Deal is an integral part of this Commission's strategy to implement the United Nation's 2030 Agenda and the sustainable development goals[2]. The objective of achieving a climate-neutral European Union by 2050 was endorsed by the European Council in its conclusions of 12 December 2019[3] and by the European Parliament in its resolution of 15 January 2020[4].

The European Green Deal calls in particular for accelerating the shift to sustainable and smart mobility, as transport accounts for a quarter of the Union's greenhouse gas emissions, and still growing. To achieve climate neutrality, a 90% reduction in transport emissions is needed by 2050. All transport modes will have to contribute to the reduction. As part of the European Green Deal, the Commission announced a strategy for sustainable and smart mobility, to be adopted in 2020, that will address this challenge and tackle all emission sources. Amongst other envisaged actions, a substantial part of the 75% of inland freight carried today by road should shift onto rail and inland waterways.

Rail has to play a significant role in accelerating the reduction in transport emissions, as one of the most environmentally friendly and energy-efficient transport modes. Indeed, rail is largely electrified and emits far less CO2 than equivalent travel by road or air. It is also the only mode to have almost continuously reduced CO2 emissions since 1990 despite increasing transport volumes: by 2016, it represented only 0.5% of the CO2 emissions from all transport modes. In addition, rail only accounts for 2% of total Union energy consumption in transport, while it carried 11.2% of freight and 6.6% of passengers of all transport modes in 2016[5]. Rail has decreased its energy consumption between 1990-2016[6] and increasingly uses renewable energy sources.

While the share of passenger rail in Union land transport increased from 7.0% to 7.6% between 2007 and 2016, for freight, since the peak in 2011 (19%), the rail share in Union land freight has decreased to 16.65% in 2017[7]. Many obstacles remain to achieve a true Single European Rail Area, including in respect of the need to minimise noise. Overcoming these obstacles together with cost reduction and accelerated innovation will allow rail to realise its full potential. Rail therefore needs a further boost to become more attractive to travellers and businesses as a mean of transport that meets both their daily and more long distance mobility

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1 Communication from the Commission to the European Parliament, the European Council, the Council, the European Economic and Social Committee and the Committee of the Regions of 11 December 2019 on the European Green Deal (COM/2019/640 final)

2 https://sustainabledevelopment.un.org/post2015/transformingourworld

3 European Council conclusions of 12 December 2019 (https://www.consilium.europa.eu/media/41768/12-euco-final-conclusions-en.pdf)

4 European Parliament resolution of 15 January 2020 on the European Green Deal (2019/2956(RSP))

5 EU transport statistical pocket book 2019

6 EU transport statistical pocket book 2019

7 EU transport statistical pocket book 2019

needs. Increasing the share of passengers and freight moving by rail will also contribute to decreasing both congestion and emissions dangerous for human health, in particular air pollution.

The proposal to declare 2021 'European Year of Rail' aims to promote rail transport in line with the objectives set out in the Commission Communication on the European Green Deal, including with regard to sustainable and smart mobility. Through projects, debates, events, exhibitions and initiatives across Europe, the European Year of Rail will promote rail as an attractive and sustainable way to move across Europe, to citizens, business and authorities, emphasising its Union wide and innovative dimension. By reaching out to citizens, beyond the railway sector, through dedicated events and communication campaigns, it will convince more people and businesses to make use of rail.

The year 2021 is an important year for the Union rail policy. It will be the first full year where the rules agreed under the Fourth Railway Package[8] will be implemented throughout the EU, namely on the opening of the market of domestic passenger services and on reducing costs and administrative burden for railway undertakings operating across the EU. There is a growing public interest in railways, including in night trains, in a number of Member States, as also illustrated by the popularity of #DiscoverEU[9]. Moreover, the international arts festival 'Europalia'[10] will dedicate its 2021 edition to the influence of railways on the arts and highlight the role of rail as a powerful promotor of social, economic and industrial change. 2021 is therefore considered a very appropriate timing for this initiative.

As with all European Years in the past, the main objective is to raise awareness of the challenges and opportunities and highlight the role of the Union in promoting shared solutions. The objective of the European Year of Rail shall be to encourage and support the efforts of the Union, the Member States, regional and local authorities, and other organisations to increase the share of passengers and freight moving by rail. In particular the European Year should promote rail as a sustainable, innovative and safe mode of transport, by reaching out to the wider public, especially the youth. It should also highlight the European, cross-border dimension of rail, that brings citizens closer together, allows them to explore the Union in all its diversity, fosters cohesion and contributes to integrate the Union internal market. It should also enhance the contribution of rail to Union economy, industry and society at large, and promote rail as an important element of the relations between the Union and third countries, in particular in the Western Balkans.

- **Consistency with existing policy provisions in the policy area**

As mentioned above, the European Year of Rail will promote rail transport in line with the objectives set out in the Commission Communication on the European Green Deal, including with regard to sustainable and smart mobility. It will also build on existing rail-related initiatives and policies such as opening the market of domestic passenger services and reducing costs and administrative burden for railway undertakings operating across the Union. Similar to other European Years, measures will include information and promotion campaigns, events, projects and initiatives at Union, national, regional and local levels. They will serve to convey key messages and disseminate information about examples of good practice.

The European Year will be an opportunity to encourage Member States authorities and the sector to work together to promote rail transport. Every effort will be made to ensure that the

[8] https://ec.europa.eu/transport/modes/rail/packages/2013_en
[9] https://europa.eu/youth/discovereu_en
[10] https://europalia.eu

activities organised in the course of the European Year are tailored to meet the needs and circumstances of each Member State. Member States are therefore requested to appoint a national coordinator responsible for organising their participation in the European Year of Rail. A European steering group, including representatives of the national coordinators, will be set up. The Commission shall convene meetings of the national coordinators in order to coordinate the running of the European Year and to exchange information regarding its implementation at national and Union level.

- **Consistency with other Union policies**

The European Year of Rail has links with other Union policy areas such as regional development, industrial competitiveness, sustainable tourism, innovation, employment, education, youth, culture and accessibility for persons with disabilities, as well as with Union's ties with its neighbourhood. It will underline the European, cross border dimension of rail, as means to move goods, travel, discover and link the continent together in a sustainable and future-oriented way. Some activities under the European Year could possibly be funded under existing Union programmes, such as Horizon Europe, Connecting Europe Facility, the Union structural and investment funds, Creative Europe, Erasmus+, DiscoverEU or Europe for Citizens.

2. LEGAL BASIS, SUBSIDIARITY AND PROPORTIONALITY

- **Legal basis**

The legal basis of the proposal is Article 91 of the Treaty on the Functioning of the European Union (TFEU). Indeed, Article 91 provides that, taking into account the distinctive features of transport, the European Parliament and the Council shall, acting in accordance with the ordinary legislative procedure and after consulting the Economic and Social Committee and the Committee of the Regions, lay down any appropriate provisions for the purpose of implementing Article 90 TFEU. Article 90 TFEU states that the objectives of the Treaties shall be pursued within the framework of a common transport policy. The main purpose of the present proposal is to contribute to increasing the share of passengers and freight moving by rail. As such, this objective falls within the ambit of Article 91 TFEU.

- **Subsidiarity (for non-exclusive competence)**

The present proposal is in conformity with the principle of subsidiarity as provided for in Article 5(3) of the Treaty on European Union (TEU). The objectives of the present proposal cannot be achieved to a sufficient extent solely by action undertaken by the Member States. This is because action at national level alone would not benefit from the European dimension of exchange of experience and good practice between Member States. Article 3(3) TEU states in particular that the European Union shall establish an internal market, work for the sustainable development of Europe based, amongst others, on improvement of the quality of the environment, shall promote scientific and technological advance, and promote economic, social and territorial cohesion. The Union shall pursue its objectives by appropriate means commensurate with the competences which are conferred upon it by the Treaties. In addition, Member States' action would benefit from the action at Union's level, through greater visibility, multilateral partnerships, transnational exchange of information and Union-wide awareness-raising and dissemination of good practices in the framework of the European Year.

- **Proportionality**

The present proposal is in conformity with the principle of proportionality as provided for in Article 5(4) TEU. The proposed course of action is simple. It relies on existing programmes and on focusing communication activities on the themes of the European Year. It imposes no disproportionate management constraints on administrations implementing the proposal. Union action will support and complement the efforts of Member States and the sector. This action will firstly improve the effectiveness of the Union's own instruments. Secondly, it will act as an enabler by encouraging synergies and cooperation among Member States, regional and local authorities, private and public enterprises, and civil society at large. Union action would not go beyond what it necessary to address the identified challenges.

- **Choice of the instrument**

A decision of the European Parliament and of the Council is the most appropriate instrument to ensure the full involvement of the legislative authority in designating 2021 as the European Year of Rail.

3. RESULTS OF EX-POST EVALUATIONS, STAKEHOLDER CONSULTATIONS AND IMPACT ASSESSMENTS

- **Ex-post evaluations/fitness checks of existing legislation**

N/A

- **Stakeholder consultations**

The possibility to declare 2021 'European Year of Railways' was discussed on 9 December 2019 with various invited rail sector representatives (CER, UNIFE, EIM, ERFA – Allrail), the European Union Agency for Railways (ERA), Shift2Rail and Europalia representatives. All participants expressed broad support for this initiative, emphasising the role of rail in reaching the decarbonisation objective and stressing the cross-border dimension of rail. Stakeholders in the rail sector, especially railway undertakings, station managers, manufacturers and national authorities are expected to take an active part in organising events under the European Year banner, at Union, national and local level. Consultations with the Europalia international arts festival revealed great potential for synergies with the European Year. Both the European Economic and Social Committee and the Committee of the Regions recently adopted own-initiative opinions[11] [12] that show their members' interest in promoting rail as a sustainable and innovative transport mode.

- **Collection and use of expertise**

N/A

- **Impact assessment**

No impact assessment is needed, since the objectives of the proposed initiative fall within the objectives of existing Union programmes. The proposed initiative would not commit the Commission to any specific actions of a legislative nature. Nor would it have any significant social, economic or environmental impact beyond that of the existing instruments.

[11] Opinion of the European Economic and Social Committee - Ensure inclusive sectoral transition to a digitalised rail industry (adopted on 30.10.2019, CCMI/169-EESC-2019))

[12] Opinion of the Committee of the Regions - The potential of the rail sector in delivering EU policy priorities (adopted on 4 December 2019, CDR 1939/2019)

- **Regulatory fitness and simplification**

N/A

- **Fundamental rights**

N/A

4. BUDGETARY IMPLICATIONS

The necessary financial allocation for the implementation of this Decision for the period 2020-2021 is estimated to be EUR 8,000,000. Implementation of the European Year will involve appropriate funding to be determined in the context of the budgetary procedures for 2020, and 2021 in accordance with the Multiannual Financial Framework 2021-2027.

5. OTHER ELEMENTS

- **Implementation plans and monitoring, evaluation and reporting arrangements**

The proposal includes an obligation for the Commission to report by 31 December 2022 on the implementation, results and overall assessment of the initiatives covered by the European Year.

2020/0035 (COD)

Proposal for a

DECISION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL

on a European Year of Rail (2021)

THE EUROPEAN PARLIAMENT AND THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty on the Functioning of the European Union, and in particular Article 91 thereof,

Having regard to the proposal from the European Commission,

After transmission of the draft legislative act to the national parliaments,

Having regard to the opinion of the European Economic and Social Committee[13],

Having regard to the opinion of the Committee of the Regions[14],

Acting in accordance with the ordinary legislative procedure,

Whereas:

(1) In its Communication of 11 December 2019[15], the Commission set out a European Green Deal for the European Union and its citizens. The European Green Deal is a new growth strategy that aims to transform the Union into a fair and prosperous society, with a modern, resource-efficient and competitive economy where there are no net emissions of greenhouse gases in 2050 and where economic growth is decoupled from resource use.

(2) In its conclusions of 12 December 2019[16], the European Council endorsed the objective of achieving a climate-neutral European Union by 2050.

(3) In its resolution of 15 January 2020[17], the European Parliament welcomed the Commission's communication on 'The European Green Deal' and called for the necessary transition to a climate-neutral society by 2050 at the latest.

(4) In line with the objectives set out in the Commission Communication on the European Green Deal, there is a need to transform the Union economy and to rethink policies, in particular in the field of transport and mobility, which implies accelerating the shift to sustainable and smart mobility. Transport accounts for a quarter of the Union's greenhouse gas emissions, and still growing. To achieve climate neutrality, a 90% reduction in transport emissions is needed by 2050. Achieving sustainable transport means putting users first and providing them with more affordable, accessible, healthier and cleaner alternatives to their current mobility habits. The European Green Deal implies to accelerate the shift to sustainable and smart mobility to address these

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13 OJ C , , p. .

14 OJ C , , p. .

15 Communication from the Commission to the European Parliament, the European Council, the Council, the European Economic and Social Committee and the Committee of the Regions of 11 December 2019 on the European Green Deal (COM/2019/640 final)

16 European Council conclusions of 12 December 2019

17 European Parliament resolution of 15 January 2020 on the European Green Deal (2019/2956(RSP))

challenges. In particular, a substantial part of the 75% of inland freight carried today by road should shift onto rail and inland waterways.

(5) Rail has a significant role to play as a game changer to achieve the climate neutrality objective by 2050. It is one of the most environmentally friendly and energy-efficient transport modes. Rail is largely electrified and emits far less CO2 than equivalent travel by road or air, and is the only mode that has consistently reduced its greenhouse gas emissions and CO2 emissions since 1990. In addition, rail has decreased its energy consumption between 1990-2016[18] and increasingly uses renewable energy sources.

(6) By connecting the Union's main transport routes with its peripheral regions and territories, the rail sector contributes to social, economic and territorial cohesion.

(7) While the share of passenger rail in the Union land transport has only slightly increased since 2007, the share of freight has decreased. Many obstacles remain to achieve a true Single European Rail Area, including in respect of the need to minimise noise. Overcoming these obstacles together with cost reduction and accelerated innovation will allow rail to realise its full potential. Rail therefore needs a further boost to become more attractive to travellers and businesses alike.

(8) In order to promote rail transport in line with the objectives set out in the Commission Communication on the European Green Deal, including with regard to sustainable and smart mobility, the year 2021 should be designated as European Year of Rail. 2021 will be an important year for the Union rail policy, it will be the first full year where the rules agreed under the Fourth Railway Package will be implemented throughout the Union, namely on the opening of the market of domestic passenger services and on reducing costs and administrative burden for railway undertakings operating across the Union. There is a growing public interest in railways, including in night trains, in a number of Member States, as also illustrated by the popularity of #DiscoverEU. Moreover, the international arts festival 'Europalia' will dedicate its 2021 edition to the influence of railways on the arts and highlight the role of rail as a powerful promotor of social, economic and industrial change.

HAVE ADOPTED THIS DECISION:

Article 1

Subject matter

The year 2021 shall be designated as the 'European Year of Rail' (hereinafter referred to as the 'European Year').

Article 2

Objectives

The objective of the European Year shall be to encourage and support the efforts of the Union, the Member States, regional and local authorities, and other organisations to increase the share of passengers and freight moving by rail. In particular, the European Year shall

(a) promote rail as a sustainable, innovative and safe mode of transport, in particular by highlighting the role of rail as a game changer to help reaching the Union's climate neutrality objective by 2050 and by reaching out to the wider public, especially youth;

[18] DG MOVE Statistical Pocketbook 2019 "EU transport in figures" (source: Eurostat)

(b) highlight the European, cross-border dimension of rail, that brings citizens closer together, allows them to explore the Union in all its diversity, fosters cohesion and contributes to integrate the Union internal market;

(c) enhance the contribution of rail to Union economy, industry and society, covering in particular aspects related to regional development, industrial competitiveness, sustainable tourism, innovation, employment, education, youth and culture, and improving accessibility for persons with disabilities;

(d) contribute to promoting rail as an important element of the relations between the Union and neighbouring countries, in particular in the Western Balkans, building on the interest and needs in partner countries and on the Union's expertise in rail transport.

Article 3

Content of measures

1. The measures to be taken to achieve the objectives set out in Article 2 shall include the following activities at Union, national, regional or local level linked to the objectives of the European Year:

   (a) initiatives and events to promote debate, raise awareness and facilitate citizens, businesses and public authorities' engagement to attract more people and goods to rail as a means to combat climate change, through multiple channels and tools, including events in Member States;

   (b) information, exhibitions, inspiration, education and awareness-raising campaigns to encourage changes in passenger, consumer and business behaviour and to stimulate an active contribution of the general public to achieving the objectives of more sustainable transport;

   (c) sharing experience and good practices of national, regional and local authorities, civil society, business and schools on promoting the use of rail and on how to implement behavioural change at all levels;

   (d) the undertaking of studies and innovative activities and the dissemination of their results on a European or national scale; and

   (e) the promotion of projects and networks related to the European Year, including via the media, social networks and other on-line communities.

2. The Union institutions and bodies, as well as the Member States, at Union and national level respectively, may refer to the European Year and make use of its visual identity in promoting the activities referred to in paragraph 1.

Article 4

Coordination at Member State level

The organisation of participation in the European Year at national level is a responsibility of the Member States. To that end, Member States shall appoint national coordinators. The national coordinators shall ensure the coordination of relevant activities at national level.

Article 5

Coordination at Union level

1. The Commission shall regularly convene meetings of the national coordinators in order to coordinate the running of the European Year. Those meetings shall also serve as opportunities to exchange information regarding the implementation of the European Year at national and Union level; representatives of the European Parliament may participate in those meetings as observers.

2. The coordination of the European Year at Union level shall have a transversal approach with a view to creating synergies between the various Union programmes and initiatives that fund projects in the field of rail transport or that have a rail dimension.

3. The Commission shall convene regular meetings of stakeholders and representatives of organisations or bodies active in the field of rail transport, including existing transnational networks and relevant NGOs, as well as of youth organisations and communities, to assist it in implementing the European Year at Union level.

   The Commission may, budget allowing, organise calls for proposals and projects that can receive support for their outstanding contribution to the objectives of the year.

Article 6

International cooperation

For the purpose of the European Year, where necessary, the Commission shall cooperate with competent international organisations, while ensuring the visibility of the Union's participation.

Article 7

Monitoring and evaluation

By 31 December 2022, the Commission shall submit a report to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions on the implementation, results and overall assessment of the initiatives provided for in this Decision.

Article 8

Entry into force

This Decision shall enter into force on the twentieth day following that of its publication in the *Official Journal of the European Union*.

Done at Brussels,

For the European Parliament	*For the Council*
The President	*The President*

LEGISLATIVE FINANCIAL STATEMENT

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LEGISLATIVE FINANCIAL STATEMENT

1. FRAMEWORK OF THE PROPOSAL/INITIATIVE

1.1. Title of the proposal/initiative

European Year of Rail (2021)

1.2. Policy area(s) concerned *(Programme cluster)*

(2020)

Policy Area: Mobility and Transport

(2021)

Under Heading 1 "Single Market, Innovation and Digital": Policy Cluster 1 "Research and Innovation" and Policy Cluster 2 "European Strategic Investment".

Under Heading 3 "Natural Resources and Environment": Policy Cluster 9: "Environment and Climate Action".

1.3. The proposal/initiative relates to:

X a new action

☐ a new action following a pilot project/preparatory action[19]

☐ the extension of an existing action

☐ a merger or redirection of one or more actions towards another/a new action

1.4. Grounds for the proposal/initiative

1.4.1. Requirement(s) to be met in the short or long term including a detailed timeline for roll-out of the implementation of the initiative

Short-term: improved image of rail amongst citizens and businesses, greater awareness of the importance to shift more passengers and freight to rail, in line with the objectives set out in the Commission Communication on the European Green Deal.

Long-term: increase in the modal share of passengers and freight moving by rail, to contribute to reducing greenhouse gas emitted by transport activities in the Union, in line with the objectives set out in the Commission Communication on the European Green Deal.

[19] As referred to in Article 58(2)(a) or (b) of the Financial Regulation.

1.4.2. Added value of Union involvement (it may result from different factors, e.g. coordination gains, legal certainty, greater effectiveness or complementarities). For the purposes of this point 'added value of Union involvement' is the value resulting from Union intervention which is additional to the value that would have been otherwise created by Member States alone.

European, cross-border dimension of transport and in particular of rail. Union legislation to achieve an integrated Single European Rail Area, such as lifting national market and technical barriers.

Union dimension of measures aimed to accelerate the shift to sustainable and smart mobility, in line with the objectives set out in the Commission Communication on the European Green Deal.

1.4.3. Lessons learned from similar experiences in the past

The European Years organised over the last 10 years have proven their value as effective awareness raising instruments which had an impact on both the general public and multipliers and have created synergies between different areas of intervention at Union and Member States level.

1.4.4. Compatibility and possible synergy with other appropriate instruments

The European Year of Rail has links with other Union policy areas such as regional development, industrial competitiveness, sustainable tourism, innovation, employment, education, youth, culture, and accessibility for persons with with disabilities, as well as with the Union's ties with its neighbourhood. It will underline the European, cross-border dimension of European railways, as a means to move goods, travel, discover and link the continent together in a sustainable and future-oriented way. Some activities under the European Year could possibly be funded under existing Union programmes.

1.5. Duration and financial impact

X limited duration

– **X** in effect from 01/01/2021 to 31/12/2021

– **X** Financial impact from 2020 to 2021 for commitment appropriations and from 2020 to 2022 for payment appropriations.

☐ **unlimited duration**

– Implementation with a start-up period from YYYY to YYYY,

– followed by full-scale operation.

1.6. Management mode(s) planned[20]

X Direct management by the Commission

– ☐ by its departments, including by its staff in the Union delegations;

– ☐ by the executive agencies

☐ **Shared management** with the Member States

☐ **Indirect management** by entrusting budget implementation tasks to:

– ☐ third countries or the bodies they have designated;

– ☐ international organisations and their agencies (to be specified);

– ☐the EIB and the European Investment Fund;

– ☐ bodies referred to in Articles 70 and 71 of the Financial Regulation;

– ☐ public law bodies;

– ☐ bodies governed by private law with a public service mission to the extent that they provide adequate financial guarantees;

– ☐ bodies governed by the private law of a Member State that are entrusted with the implementation of a public-private partnership and that provide adequate financial guarantees;

– ☐ persons entrusted with the implementation of specific actions in the CFSP pursuant to Title V of the TEU, and identified in the relevant basic act.

– *If more than one management mode is indicated, please provide details in the 'Comments' section.*

Comments

[…]

[20] Details of management modes and references to the Financial Regulation may be found on the BudgWeb site: https://myintracomm.ec.europa.eu/budgweb/EN/man/budgmanag/Pages/budgmanag.aspx

2. MANAGEMENT MEASURES

2.1. Monitoring and reporting rules

Specify frequency and conditions.

Work Programme of the European Year Establishment of a Steering Committee

2.2. Management and control system(s)

2.2.1. Justification of the management mode(s), the funding implementation mechanism(s), the payment modalities and the control strategy proposed

Direct management, as per article 62.1(a) of the Financial Regulation, is the preferable mode as the actions will be implemented by the European Commission, in particular DG MOVE, which will ensure the coordination with the Member States and the various stakeholders.

2.2.2. Information concerning the risks identified and the internal control system(s) set up to mitigate them

Risks identified: lack of visibility of the initiatives; too high expectations with regard to the limited budget. Internal control system set up: regular risk assessment in the framework of Steering Committee.

2.2.3. Estimation and justification of the cost-effectiveness of the controls (ratio of "control costs ÷ value of the related funds managed"), and assessment of the expected levels of risk of error (at payment & at closure)

The controls are part of DG MOVE internal control system. These new activities will generate non-significant additional costs of control at DG level.

2.3. Measures to prevent fraud and irregularities

Specify existing or envisaged prevention and protection measures, e.g. from the Anti-Fraud Strategy.

The Commission shall ensure that, when actions financed under this Decision are implemented, the financial interests of the Union are protected by the application of preventive measures against fraud, corruption and any other illegal activities, by effective checks and by the recovery of the amounts unduly paid and, if irregularities are detected, by effective, proportional and dissuasive penalties. The Commission is authorised to carry out checks and verifications in situ under this Decision, in compliance Council Regulation (Euratom, EC) No 2185/96 of 11 November 1996 concerning on-the-spot checks and inspections carried out by the Commission in order to protect the European Communities' financial interests against fraud and other irregularities. If need be, investigations shall be carried out by the European Anti-Fraud Office and shall be governed by Regulation (EC) No 1073/1999 of the European Parliament and of the Council of 25 May 1999 concerning investigations conducted by the European Anti-Fraud Office (OLAF).

3. ESTIMATED FINANCIAL IMPACT OF THE PROPOSAL/INITIATIVE

3.1. Heading of the multiannual financial framework and new expenditure budget line(s) proposed

Heading of multiannual financial framework	Budget line	Type of expenditure	Contribution			
	Heading 1[Single Market, Innovation and Digital]	Diff./Non-diff.[21]	from EFTA countries[22]	from candidate countries[23]	from third countries	within the meaning of Article [21(2)(b)] of the Financial Regulation
	06.02.05.00 (2020) / 02.20.04.01 (2021-22) 01.02.02.50 02.03.01 Other lines could be identified in the budgetary procedures	Diff./~~Non-diff~~.	~~YES~~/NO	~~YES~~/NO	~~YES~~/NO	~~YES~~/NO
Heading of multiannual financial framework	Budget line	Type of expenditure	Contribution			
	Heading 3 [Natural Resources and Environment]	Diff./Non-diff.[24]	from EFTA countries[25]	from candidate countries[26]	from third countries	within the meaning of Article [21(2)(b)] of the Financial Regulation
	09.02.xx Other lines could be identified in the budgetary procedures	Diff./~~Non-diff~~.	~~YES~~/NO	~~YES~~/NO	~~YES~~/NO	~~YES~~/NO

21 Diff. = Differentiated appropriations / Non-diff. = Non-differentiated appropriations.
22 EFTA: European Free Trade Association.
23 Candidate countries and, where applicable, potential candidates from the Western Balkans.
24 Diff. = Differentiated appropriations / Non-diff. = Non-differentiated appropriations.
25 EFTA: European Free Trade Association.
26 Candidate countries and, where applicable, potential candidates from the Western Balkans.

3.2. Estimated impact on expenditure

Programmes and budget lines mentioned below are indicative. Appropriate funding will be determined in the context of the budgetary procedures through redeployment in 2020 within the existing financial programming; in 2021 specific appropriations will be identified within the envelopes of future programmes and the financial programming, in accordance with the applicable multiannual financial frameworks.

3.2.1. Summary of estimated impact on expenditure

EUR million (to three decimal places)

Heading of multiannual financial framework	<…>	Heading 1 [Single Market, Innovation and Digital]; Heading 3 [Natural Resources and Environment]

			2020	**2021**	**2022**	**2023**	**2024**	**2025**	**2026**	***Post 2027***	**TOTAL**
Operational appropriations	Commitments	(1)	0.500	1.500							**2.000**
06.02.05 (budget 2020) / 02.20.04.01 (2021-22) Support activities to the European transport policy	Payments	(2)	0.300	1.200	0.500						**2.000**
Operational appropriations	Commitments	(1)		6.000							**6.000**
01.02.02.50 Horizon Europe 02.03.01 Connecting Europe Facility - Transport 09.02 LIFE	Payments	(2)		3.000	3.000						**6.000**
TOTAL appropriations headings 1 and 3	Commitments	=1+3	**0.500**	**7.500**							**8.000**
	Payments	=2+3	**0.300**	**4.200**	**3.500**						**8.000**

Heading of multiannual financial framework	7	'Administrative expenditure'

EUR million (to three decimal places)

		2020	**2021**	**2022**	**2023**	**2024**	**2025**	**2026**	***Post 2027***	**TOTAL**
Human resources		0.150	0.300	0.075						**0.525**
Other administrative expenditure			0.010							**0.010**
TOTAL appropriations under HEADING 7 of the multiannual financial framework	(Total commitments = Total payments)	**0.150**	**0.310**	**0.075**						**0.535**

EUR million (to three decimal places)

		2020	**2021**	**2022**	**2023**	**2024**	**2025**	**2026**	***Post 2027***	**TOTAL**
TOTAL appropriations across HEADINGS of the multiannual financial framework	Commitments	0.650	7.810	0.075						**8.535**
	Payments	0.450	4.510	3.575						**8.535**

3.2.2. Summary of estimated impact on appropriations of an administrative nature

– ☐ The proposal/initiative does not require the use of appropriations of an administrative nature

– **X** The proposal/initiative requires the use of appropriations of an administrative nature, as explained below:

EUR million (to three decimal places)

Years	2020	2021	2022	2023	2024	2025	2026	TOTAL
HEADING 7 of the multiannual financial framework								
Human resources	0.150	0.300	0.075					**0.525**
Other administrative expenditure		0.010						**0.010**
Subtotal HEADING 7 of the multiannual financial framework	**0.150**	**0.310**	**0.075**					**0.535**

Outside HEADING 7[27] of the multiannual financial framework								
Human resources								
Other expenditure of an administrative nature								
Subtotal outside HEADING 7 of the multiannual financial framework								

TOTAL	**0.150**	**0.310**	**0.075**					**0.535**

The appropriations required for human resources and other expenditure of an administrative nature will be met by appropriations from the DG that are already assigned to management of the action and/or have been redeployed within the DG, together if necessary with any additional allocation which may be granted to the managing DG under the annual allocation procedure and in the light of budgetary constraints.

[27] Technical and/or administrative assistance and expenditure in support of the implementation of EU programmes and/or actions (former 'BA' lines), indirect research, direct research.

3.2.2.1. Estimated requirements of human resources

– ☐ The proposal/initiative does not require the use of human resources.

– **X** The proposal/initiative requires the use of human resources, as explained below:

Estimate to be expressed in full time equivalent units

Years		2020	2021	2022	2023	2024	2025	2026
• Establishment plan posts (officials and temporary staff)								
Headquarters and Commission's Representation Offices		1	2	0.5				
Delegations								
Research								
• External staff (in Full Time Equivalent unit: FTE) - AC, AL, END, INT and JED [28] Heading 7								
Financed from HEADING 7 of the multiannual financial framework	- at Headquarters							
	- in Delegations							
Financed from the envelope of the programme [29]	- at Headquarters							
	- in Delegations							
Research								
Other (specify)								
TOTAL		**1**	**2**	**0.5**				

The human resources required will be met by staff from the DG who are already assigned to management of the action and/or have been redeployed within the DG, together if necessary with any additional allocation which may be granted to the managing DG under the annual allocation procedure and in the light of budgetary constraints.

Description of tasks to be carried out:

Officials and temporary staff	Organisation and coordination of communication campaigns and events; management of calls for proposals; around 10 missions in Member States in 2021.
External staff	N/A

[28] AC= Contract Staff; AL = Local Staff; END = Seconded National Expert; INT = agency staff; JPD= Junior Professionals in Delegations.

[29] Sub-ceiling for external staff covered by operational appropriations (former 'BA' lines).

3.2.3. Third-party contributions

The proposal/initiative:

– **X** does not provide for co-financing by third parties

3.3. Estimated impact on revenue

– **X** The proposal/initiative has no financial impact on revenue.

ANNEX
to the LEGISLATIVE FINANCIAL STATEMENT

Name of the proposal/initiative:

European Year of Rail (2021)

1. NUMBER AND COST OF HUMAN RESOURCES CONSIDERED NECESSARY

2. COST OF OTHER ADMINISTRATIVE EXPENDITURE

3. METHODS OF CALCULATION USED FOR ESTIMATING COSTS

3.1 Human resources

3.2 Other administrative expenditure

*This annex, **to be completed by each DGs/Services participing to the proposal/initiative**, must accompany the legislative financial statement when the inter-services consultation is launched.*

The data tables are used as a source for the tables contained in the legislative financial statement. They are strictly for internal use within the Commission.

1. COST OF HUMAN RESOURCES CONSIDERED NECESSARY

☐ The proposal/initiative does not require the use of human resources

X The proposal/initiative requires the use of human resources, as explained below:

EUR million (to three decimal places)

HEADING 7 of the multiannual financial framework		**2020**		**2021**		**2022**		**2023**		**2024**		**2025**		**2026**		**TOTAL**	
		FTE	Appropriations	FTE	Appropriations	FTE	Appropriations	FTE	Appropriations	FTE	Appropriations	FTE	Appropriations	FTE	Appropriations	FTE	Appropriations
• Establishment plan posts (officials and temporary staff)																	
Headquarters and Commission's Representation Offices	AD	1	0.150	2	0.300	0.5	0.075										0.525
	AST																
in Union Delegations	AD																
	AST																
• External staff [30]																	
Global envelope	AC																
	END																
	INT																
in Union Delegations	AC																
	AL																
	END																
	INT																
	JPD																
Other budget lines (*specify*)																	

[30] AC = Contract Staff; AL = Local Staff; END = Seconded National Expert; INT= agency staff; JPD= Junior Professionals in Delegations.

Subtotal – HEADING 7 of the multiannual financial framework		1	0.150	2	0.300	0.5	0.075									0.525

The human resources required will be met by staff from the DG who are already assigned to management of the action and/or have been redeployed within the DG, together if necessary with any additional allocation which may be granted to the managing DG under the annual allocation procedure and in the light of budgetary constraints.

Outside HEADING 7 of the multiannual financial framework		2020		2021		2022		2023		2024		2025		2026		TOTAL	
		FTE	Appropriations	FTE	Appropriations	FTE	Appropriations	FTE	Appropriations	FTE	Appropriations	FTE	Appropriations	FTE	Appropriations	FTE	Appropriations
• Establishment plan posts (officials and temporary staff)																	
Research	AD																
	AST																
• External staff [31]																	
External staff from operational appropriations (former 'BA' lines).	- at Headquarters AC																
	- at Headquarters END																
	- at Headquarters INT																
	- in Union delegations AC																
	- in Union delegations AL																
	- in Union delegations END																
	- in Union delegations INT																
	- in Union delegations JPD																
Research)	AC																
	END																
	INT																
Other budget lines (*specify*)																	
Subtotal – Outside HEADING 7 of the multiannual financial framework																	

The human resources required will be met by staff from the DG who are already assigned to management of the action and/or have been redeployed within the DG, together if necessary with any additional allocation which may be granted to the managing DG under the annual allocation procedure and in the light of budgetary constraints.

[31] AC = Contract Staff; AL = Local Staff; END = Seconded National Expert; INT= agency staff; JPD= Junior Professionals in Delegations.

2. COST OF OTHER ADMINISTRATIVE EXPENDITURE

(e) 1.☐ The proposal/initiative does not require the use of administrative appropriations

X The proposal/initiative requires the use of administrative appropriations, as explained below:

EUR million (to three decimal places)

HEADING 7 of the multiannual financial framework	**2020**	**2021**	**2022**	**2023**	**2024**	**2025**	**2026**	**Total**
At headquarters:								
Mission and representation expenses		0.010						**0.010**
Conference and meeting costs								
Committees[32]								
Studies and consultations								
Information and management systems								
ICT equipment and services[33]								
Other budget lines (*specify where necessary*)								
In Union delegations								
Missions, conferences and representation expenses								
Further training of staff								
Acquisition, renting and related expenditure								
Equipment, furniture, supplies and services								
Subtotal HEADING 7 of the multiannual financial framework		**0.010**						**0.010**

[32] Specify the type of committee and the group to which it belongs.

[33] ICT: Information and Communication Technologies: DIGIT must be consulted.

EUR million (to three decimal places)

Outside HEADING 7 of the multiannual financial framework	**2020**	**2021**	**2022**	**2023**	**2024**	**2025**	**2026**	**Total**
Expenditure on technical and administrative assistance (not including external staff) from operational appropriations (former 'BA' lines)								
- at Headquarters								
- in Union delegations								
Other management expenditure for research								
Other budget lines (*specify where necessary*)								
Sub-total – Outside HEADING 7 of the multiannual financial framework								

TOTAL HEADING 7 and Outside HEADING 7 of the multiannual financial framework		**0.010**						**0.010**

The administrative appropriations required will be met by the appropriations which are already assigned to management of the action and/or which have been redeployed, together if necessary with any additional allocation which may be granted to the managing DG under the annual allocation procedure and in the light of existing budgetary constraints.

3. METHODS OF CALCULATION

3.1 Human resources

This part sets out the method of calculation used to estimate the human resources considered necessary (workload assumptions, including specific jobs (Sysper 2 work profiles), staff categories and the corresponding average costs)

HEADING 7 of the multiannual financial framework
NB: The average costs for each category of staff at Headquarters are available on BudgWeb: https://myintracomm.ec.europa.eu/budgweb/EN/pre/legalbasis/Pages/pre-040-020_preparation.aspx
• Officials and temporary staff 1 FTE in 2020 for the preparation and coordination of events 2 FTE in 2021 for the management of the call for proposals 0.5 FTE in 2022 for final reporting
• External staff

Outside HEADING 7 of the multiannual financial framework
• Only posts financed from the research budget
• External staff

3.2 Other administrative expenditure

Give details of the method of calculation used for each budget line and in particular the underlying assumptions (e.g. number of meetings per year, average costs, etc.)

HEADING 7 of the multiannual financial framework
Around 10 missions in Member States in 2021

Outside HEADING 7 of the multiannual financial framework