



# Annual Activity Report 2023

DIRECTORATE GENERAL FOR MOBILITY AND  
TRANSPORT (DG MOVE)

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## FOREWORD



In 2023, DG MOVE continued to contribute to the political priorities of the Commission. Inter-institutional work was completed on three “Fit for 55 package” transport proposals – on aviation and maritime fuels, and on alternative fuel infrastructure – essential to deliver on the ambitions from the European Green Deal. Negotiations laying out the new extended Trans-European Network of Transport were completed, and new proposals were tabled to enhance road and maritime safety, improve rail capacity and push multimodal transport.

Supporting Ukraine remained a key and cross sectoral priority. The EU-Ukraine Solidarity Lanes provide alternative transport routes for Ukrainian exports and imports, via land, inland waterways and EU ports. Our efforts focused on simplifying procedures and increasing the efficiency of border crossing operations, which in turn help keep the transport costs down. We continued to be closely involved in developing new sanctions against the Russian regime, as many of these are in the transport sector and have significant effects.

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.

This Annual Activity Report provides an overview of our achievements in 2023 relative to the objectives set in DG MOVE’s Strategic Plan 2020-2024 and the 2023 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.

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/>.

Magda Kopczyńska  
Director-General of DG MOVE

## DG MOVE IN BRIEF

Under the political guidance of the College of Commissioners, in particular Executive Vice-President Maroš Šefčovič and Commissioner Adina Vălean, the Directorate-General for Mobility and Transport (DG MOVE) develops 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 Treaty on the Functioning of the European Union, in particular Title VI on Transport and Title XVI on Trans-European Networks.

DG MOVE develops EU transport policy for the transport sector in line with the Commission priorities; it monitors the implementation of EU law and makes new legislative proposals; it encourages the exchange of best practices and co-finances infrastructure projects on the Trans-European Transport Network (TEN-T) notably through the Connecting Europe Facility (CEF). Its work also includes financial support for research and innovation projects under Horizon Europe, which provide feedback to inform policy development. DG MOVE promotes policies internationally, including through transport agreements, and provides information to the public and 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) and United Nations Economic Commission for Europe (UNECE).

### **The main spending programmes**

- (-) support to the three decentralised agencies (EASA, ERA, EMSA) – (36%).
- (-) research and innovation in the rail sector via the EU-Rail JU (19%).
- (-) Modernisation of the European and global traffic management system via the SESAR 3 JU (22%).
- (-) Contribution to CINEA's operating budget (13.8%).
- (-) Directly managed CEF transport support actions (2.1%).

In its work, DG MOVE is assisted by the expert input from several European Agencies, which it oversees: the EU Aviation Safety Agency (EASA), the European Maritime Safety Agency (EMSA), the EU Agency for Railways (ERA), the European Climate Infrastructure and Environment Executive Agency (CINEA), as well as the two Joint Undertakings (JUs): Single European Sky ATM Research JU (SESAR 3 JU) 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 CEF-Transport programme is implemented by CINEA, through grant support for CEF-transport projects related to the development of transport infrastructure, smart and sustainable mobility and horizontal priorities such as air traffic management. DG MOVE contributed to the InvestEU and the Recovery and Resilience Facility. It remains involved in the CEF Debt Instruments, implemented through the European Investment Bank (EIB).

A key development in 2023 was the appointment of a new Director General as from 1 August 2023. At year end, DG MOVE had 541 staff, including external staff, while the total payments were EUR 453.58 million.

DG MOVE is supported by the Shared Resources Directorate (SRD), shared with DG ENER and administratively assigned to DG MOVE. SRD deals 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. AARs 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 Treaties <sup>(1)</sup>.

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

In 2023 DG MOVE work continued to be guided by two priorities: **implementing the European Green Deal** <sup>(2)</sup> and **responding to the effects of Russia's war of aggression against Ukraine**. DG MOVE delivered in 2023 tangible outputs under each of the specific objectives as set out in the Strategic 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* – completing inter-institutional work on key proposals of Fit for 55 package: FuelEU Maritime <sup>(3)</sup>, REFuelEU Aviation <sup>(4)</sup>, and a revision of the Alternative Fuels Infrastructure Directive <sup>(5)</sup>; implementing Connecting Europe Facility and adoption of the greening freight package;
- 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* – conclusion of the inter-institutional work on the revision of the Intelligent Transport Systems Directive <sup>(6)</sup>;
- 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* – reaching political agreement 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* – adoption of the

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<sup>(1)</sup> Article 17(1) of the Treaty on European Union.

<sup>(2)</sup> Most of the DG MOVE initiatives contributed to multiple political priorities of this Commission.

<sup>(3)</sup> COM(2021) 551

<sup>(4)</sup> COM(2021) 561

<sup>(5)</sup> COM(2021) 559

<sup>(6)</sup> COM(2021) 813

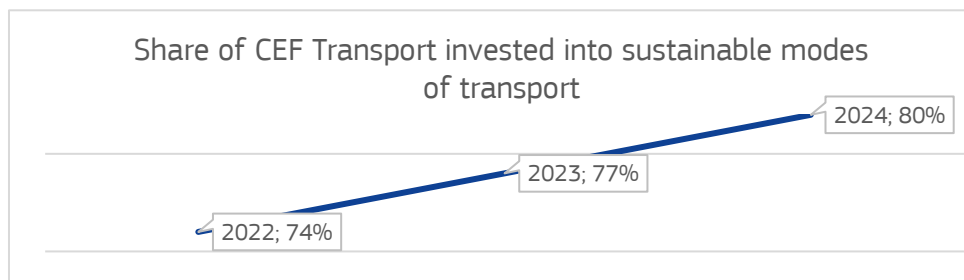
passenger mobility package, DG MOVE was in 2023 the second highest contributor to College infringement cycle decisions and it took actions for better enforcement of transport acquis;

- 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* – continued steering and implementation of the EU-Ukraine Solidarity Lanes; several packages of sanctions against Russia and Belarus;
- 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* – presentation and inter-institutional work on the road safety package and the maritime safety package.

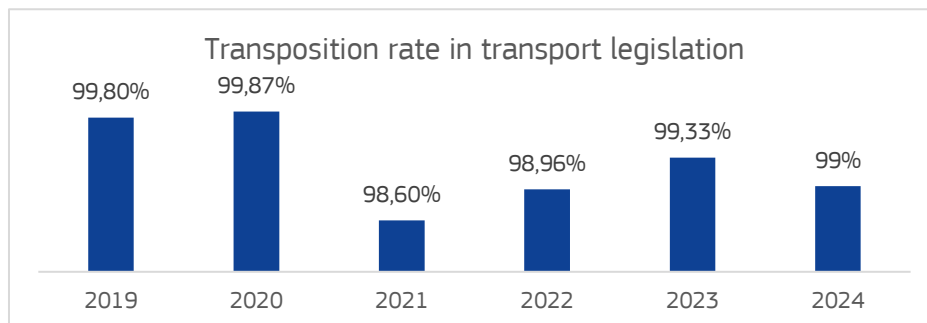
## B. Key performance indicators

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) – target: 80% of CEF II Transport committed expenditures <sup>(7)</sup>



2. Transposition rate in transport legislation (An economy that works for the people - see Specific Objective 3.2) - target: 99% of Directives to be transposed in any given year <sup>(8)</sup>



3. Estimated risk at closure (Sound Financial Management – See Objective 1)

<sup>(7)</sup> The first CEF 2021-2027 call for proposals was published on 17 September 2021 and the first commitments were in 2022 upon signature of the Grant Agreements

<sup>(8)</sup> Target used by the Commission for the Single Market Scoreboard

Baseline (2019)	Interim milestone (2022)	Target (2024)	Latest known results (2023)
0.86%	< 2% of relevant expenditure	< 2% of relevant expenditure	0.39%

## C. Key conclusions on internal control and financial management

In 2023, DG MOVE managed to maintain a robust degree of control to ensure that its resources were used effectively and efficiently. DG MOVE continued to implement the Action Plan of the Sustainable and Smart Mobility Strategy, while improving the functioning of the Solidarity Lanes to ensure better transport connectivity with Ukraine and fostering an agile budgetary management and an improved IT culture.

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 it is effective, and the components and principles are present and functioning well overall, but some improvements are needed as a moderate and two minor deficiencies were identified related to principles 10 (Control Activities), 12 (Deployment of Controls) and 13 (Relevant Information). Please refer to section 2.3 for further details.

In addition, DG MOVE has systematically examined the available control results and indicators, including those from supervised 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 (ECA). 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 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, 12 and 13. The following actions are/will be taken in this respect: Foster awareness about procurement management and accountability as well as draw an inventory of measures ensuring the reliability of information. The Director-General of DG MOVE, in her capacity as Authorising Officer by Delegation, has signed the Declaration of Assurance.

## D. Provision of information to the Commissioner

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

## 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.**

In line with the Sustainable and Smart Mobility Strategy <sup>(9)</sup> and the European Green Deal <sup>(10)</sup>, DG MOVE's work in 2023 focused on **reducing the emissions of the transport sector and making it more sustainable**. 2023 saw concluding the inter-institutional negotiations on the **Fit for 55** initiatives: the FuelEU Maritime and ReFuelEU Aviation, and Alternative Fuel Infrastructure. DG MOVE also worked on a smooth implementation of these proposals, including through the Renewable and Low-Carbon Fuels Value Chain Alliance, the European Sustainable Shipping Forum, and its expert subgroup on Sustainable Alternative Power Systems. DG MOVE also prepared delegated acts on alternative fuels data and on communication protocols and standards. It continued to ensure funding opportunities under the Alternative Fuels Infrastructure Facility rolling call and the Connecting Europe Facility. DG MOVE helped other DGs to progress with other elements of the Fit for 55 package, such as Emission Trading Scheme, Energy Taxation Directive.

In line with the Flagship 4 of the **Sustainable and Smart Mobility Strategy** <sup>(11)</sup> DG MOVE also prepared the **Greening freight package** <sup>(12)</sup> aimed at modernising freight transport and improving its energy and operational efficiency. It included a revision of the **Directive on maximum weights and dimensions of heavy-duty vehicles** <sup>(13)</sup>, a proposal on **Rail capacity management** <sup>(14)</sup>, and a revision of the **Combined Transport Directive** <sup>(15)</sup>, **as well as a new proposal on**



<sup>(9)</sup> COM(2020) 789

<sup>(10)</sup> COM(2019) 640

<sup>(11)</sup> COM(2020) 789

<sup>(12)</sup> COM(2023) 440

<sup>(13)</sup> COM(2023) 445

<sup>(14)</sup> COM(2023) 443

<sup>(15)</sup> COM (2023) 702

**CountEmissionsEU** <sup>(16)</sup>. DG MOVE delivered implementing acts collecting **data on CO2 emissions from heavy duty vehicles**.

2023 was the second implementation year of the new EU Urban Mobility Framework. DG MOVE developed the **Recommendation on National Support Programmes for Sustainable Urban Mobility Planning**. Another milestone was the adoption of the proposal to the European Parliament and the Council for a **European Cycling Declaration** <sup>(17)</sup>.

DG MOVE organised side-events in the framework of **COP28** with a focus on decarbonisation of shipping, aviation, transport infrastructure and research and innovation, in particular for clean energy. The events brought together politicians and experts from the transport industry and civil society from across the world.

DG MOVE engaged with **the International Civil Aviation Organization** (ICAO), where at the third **Conference on Aviation and Alternative Fuels** <sup>(18)</sup> a historical agreement was reached on a global framework for sustainable aviation fuels and other cleaner aviation energies. DG MOVE also supported the work on Carbon Offsetting and Reduction Scheme for International Aviation (CORSIA) in ICAO.

DG MOVE led on and delivered extensive work and results regarding decarbonisation efforts at the **International Maritime Organization**. It coordinated Commission and Member States work in putting forward numerous related EU submissions to IMO, including the revision of the IMO Strategy on reduction of ship GHG emissions. Together with Member States, the Commission was instrumental in shaping a historical outcome at the IMO in July with the adoption of the revised IMO Strategy on reduction of ship GHG emissions. The revised strategy sets an ambitious goal of phasing out emissions by 2050 and a trajectory to get there as well as specifies decarbonisation measures such as fuel standards, gradual reduction of the marine fuels' GHG intensity, and a GHG emissions pricing mechanism. The strategy also includes an objective on the uptake of zero or near-zero GHG emission technologies, fuels and/or energy sources to represent at least 5% by 2030.

As a part of a broader maritime safety package DG MOVE prepared the revision of the **directive on ship-source pollution and penalties for pollution offences** <sup>(19)</sup>, which has been finalised by the Legislators in early 2024. The revision provides for more effective enforcement allowing for enhanced verification and reporting activities on pollution incidents and for a harmonised regime on penalties imposed on polluters. The analytical work on **greening seaports and inland ports advanced, with an aim to finalise the study early 2024**.

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<sup>(16)</sup> COM (2023) 441

<sup>(17)</sup> COM (2023) 556

<sup>(18)</sup> <https://www.icao.int/Meetings/CAAF3/Pages/default.aspx>

<sup>(19)</sup> COM (2023) 273

### Performance information <sup>(20)</sup>

DG MOVE relied on trusted sources such as ESTAT, OECD, EEA, EASA, EMSA and ERA as well as information provided by partner organisations and implementing bodies, in particular CINEA. It carried out the necessary controls to assess the reliability of the performance information on indirectly managed EU financial programmes, particularly when reporting on the operations of the SESAR and EU RAIL joint undertakings. The information received from the entrusted entities was subjected to checks by the Commission services. The management representations made by the EU bodies were audited by the European Court of Auditors. Furthermore, the information received from the European Investment Bank (EIB) as regards CEF-DI corresponds to the financial industry standards and was subject to a technical review and to an independent audit. DG MOVE services verified and validated equally the information provided by CINEA as regards its implementation of the CEF-T programme in line with provisions of the memoranda of understanding between the Commission and the Executive Agency. Preparing an inventory of controls is planned for 2024.

All of these key developments were accompanied by external communication activities, in particular via DG MOVE's [X account](#), [newsletter](#) and [website](#), with the aim to reach relevant stakeholders and multipliers. Under objective 1, these activities focused in particular on the [Urban Mobility Days](#) in Sevilla, Spain, the adoption of the [Greening Freight Package](#) and COP28, where DG MOVE organised an [EU Transport Day](#), a whole day of transport-related side events in the EU pavilion. An annual communication highlight is the [European Mobility Week](#) – the Commission's EU-wide campaign for sustainable mobility, which reached a record of 3 351 participating cities 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.**

DG MOVE prepared the [Recommendation on means to address the impact of automation and digitalisation on the transport workforce](#) <sup>(21)</sup>, raising awareness about challenges and opportunities created by digitalisation and automation, and calling stakeholders employers' and workers' organisations and national authorities, to consider and promote different means to ensure a just transition for transport workers. The recommendation was a contribution to the European Year of Skills.

Co-legislators agreed on the revision of the Directive on [intelligent transport systems](#) <sup>(22)</sup> and DG MOVE started immediate work on the implementation of the new Directive. It will help accelerate the deployment of ITS services and transport data sharing in the Union, supporting better mobility services for European citizens. This was supported by the NAPCORE <sup>(23)</sup> project, bringing together all Member States.

DG MOVE concluded preparatory work on the update of delegated regulations on specifications for public safety answering points receiving and handling of [eCalls](#), to be

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<sup>(20)</sup> This concerns DG MOVE activities under all relevant Headline Ambitions

<sup>(21)</sup> C(2023) 8067

<sup>(22)</sup> Directive (EU) 2023/2661

<sup>(23)</sup> <https://napcore.eu/>

published in early 2024. DG MOVE supported DG GROW and DG CNECT on vehicle type approval requirements, and on legacy issue for vehicles equipped with 2G/3G.

DG MOVE prepared a Communication on the **European Mobility Data Space** (EMDS) <sup>(24)</sup>, laying down the main objectives and principles of a possible governance structure, and took several support actions to operationalise the EMDS. It was complemented with a revision of the delegated regulation on **multi-modal travel information services** (MMTIS). DG MOVE also continued the preparation of an initiative on **multi-modal digital mobility services**, on which the decision will be taken under the next Commission.



DG MOVE prepared a technical revision of Directive on **River Information Services** <sup>(25)</sup>. It updates provisions on traffic information and management, on information on waterways and infrastructure, on voyage planning for skippers, and on reporting to authorities.

DG MOVE engaged in the discussions at International Maritime Organisation fora, in particular the Maritime Safety Committee on **autonomous ships and systems**. DG MOVE also co-organised the 4th Maritime Autonomous Surface Ships Summit. The Summit allowed for insights on the interplay of technology and market demand, and underscored the relevance of international cooperation so that autonomous ships and shipping will best support the policy aims of zero accidents, zero waste and zero pollution.

### Horizon Europe

2023 was the third year in the implementation of Horizon Europe, the Framework Programme supporting transport research and innovation in the Multiannual Financial Framework 2021-2027. Throughout the year, DG MOVE was actively involved in several activities. The Cluster 5 Work Programme 2023-2024 continued its execution, with the successful completion of two major transport calls in April and September, for EUR 217 million and EUR 108.5 million, respectively. These calls led to new transport research and innovation projects in the areas of road, aviation and waterborne transport, as well as on infrastructures, logistics, safety and new mobility services. The Mission on Sustainable and Smart Cities launched several activities throughout the year, including a EUR 70 million research and innovation call, a dedicated EUR 5 million action for the association of Ukrainian cities to the Mission, as well as a EUR 40 million reinforcement of the Cities Mission Platform. Overall, as of end 2023, the portfolio of Horizon Europe transport R&l projects (managed by CINEA) reached around 220 projects, with total value of approximately EUR 1.5 billion.

Throughout 2023, DG MOVE also worked on the review of the Horizon Europe Strategic Plan 2021-2024 and the design of the next Strategic Plan 2025-2027, that is foreseen to be adopted in 2024.

DG MOVE was involved in other research and innovation work throughout the year, from the organisation of the bi-annual Transport Research Arena 2024 Conference, to working with the Joint Research Centre on the Transport Research and Innovation Monitoring and Information System (TRIMIS), as well as with CINEA on policy feedback from R&l projects towards EU's Sustainable and Smart Mobility Strategy.

In line with the **Drone Strategy 2.0** <sup>(26)</sup>, DG MOVE prepared initiatives aimed at reinforcing the entire drone eco-system. These included implementing and delegated acts on

<sup>(24)</sup> COM (2023) 751

<sup>(25)</sup> COM (2024) 33, adopted in January 2024

<sup>(26)</sup> COM (2022) 652

certification of initial and continued airworthiness of drones (passenger and cargo), and facilitating the creation by EASA of an online platform to support a sustainable Urban Air Mobility implementation. DG MOVE prepared also the **counter-drone strategy** <sup>(27)</sup>. A viable drone eco-system will contribute to leveraging European research, innovation, and entrepreneurship to achieve the objectives of the European Green Deal and Digital Europe.

DG MOVE prepared **the revision of the Technical Specifications for rail interoperability** <sup>(28)</sup>. It will deliver on the main objectives of Digital rail and Green freight and accompany the rail system's digital transformation towards a significantly more efficient and cost-effective system. It will also remove barriers to trains for cross border traffic and support the uptake of more environmentally friendly technologies, such as electric or hydrogen propulsion, to replace diesel locomotives.

DG MOVE also advanced the preparatory work on the revision of **roadworthiness package**.

DG MOVE advanced the implementation of the **electronic freight transport information (eFTI)** <sup>(29)</sup>, which is expected to reduce significantly the administrative burden borne by economic operators and to facilitate enforcement. These include a harmonised data set for freight transport information and the specifications for the ICT systems to be put in place by the Member States in 2024. This will support the generation of standardised data sets that will be one of the main assets of the future European Mobility Data Space. The work encountered some delays in respect to initial planning. This was due to the very high complexity requiring the analysis of feasibility of technical solutions and of a very large number of national legal provisions across all modes.

DG MOVE prepared also a second implementing act with specifications for the **European Maritime Single Window environment** <sup>(30)</sup> (EMSWe). DG MOVE, in collaboration with DG



DIGIT, developed the Reporting Interface Module and the User Registry and Access Management system and made them available to the Member States for testing and integration into their systems. The new reporting environment will ease business-to-government data exchange required for calling at a port in the EU, reduce administrative burden and enhance the competitiveness of European ports.

All of these key developments were accompanied by external communication activities, in particular via DG MOVE's [X account](#), [newsletter](#) and [website](#), with the aim to reach relevant stakeholders and multipliers. Under objective 2, these activities focused in particular on the

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<sup>(27)</sup> COM(2023) 659

<sup>(28)</sup> [https://transport.ec.europa.eu/news-events/news/rail-transport-new-harmonised-eu-standards-support-cross-border-rail-2023-09-08\\_en](https://transport.ec.europa.eu/news-events/news/rail-transport-new-harmonised-eu-standards-support-cross-border-rail-2023-09-08_en)

<sup>(29)</sup> Regulation (EU) 2020/1056.

<sup>(30)</sup> Regulation (EU) 2019/1239 establishing a European Maritime Single Window environment

**Passenger Mobility Package.** DG MOVE was also present at the event ‘**Airspace World**’ in Geneva, Switzerland, with more than 1 000 stand visitors.

## **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 was reached on the **revised TEN-T Regulation** <sup>(31)</sup>. It steps up the requirements for the European signalling system for rail and promotes digital tools and new technologies for all transport modes. The deployment of traffic management systems in all transport modes will ensure better interoperability and increased efficiency for freight transport. It will also help meeting passenger needs within urban nodes, e.g., by requiring multimodal passenger hubs that facilitate first and last mile connectivity. The revised TEN-T Regulation promotes also greater safety and security, and a greater infrastructure resilience.

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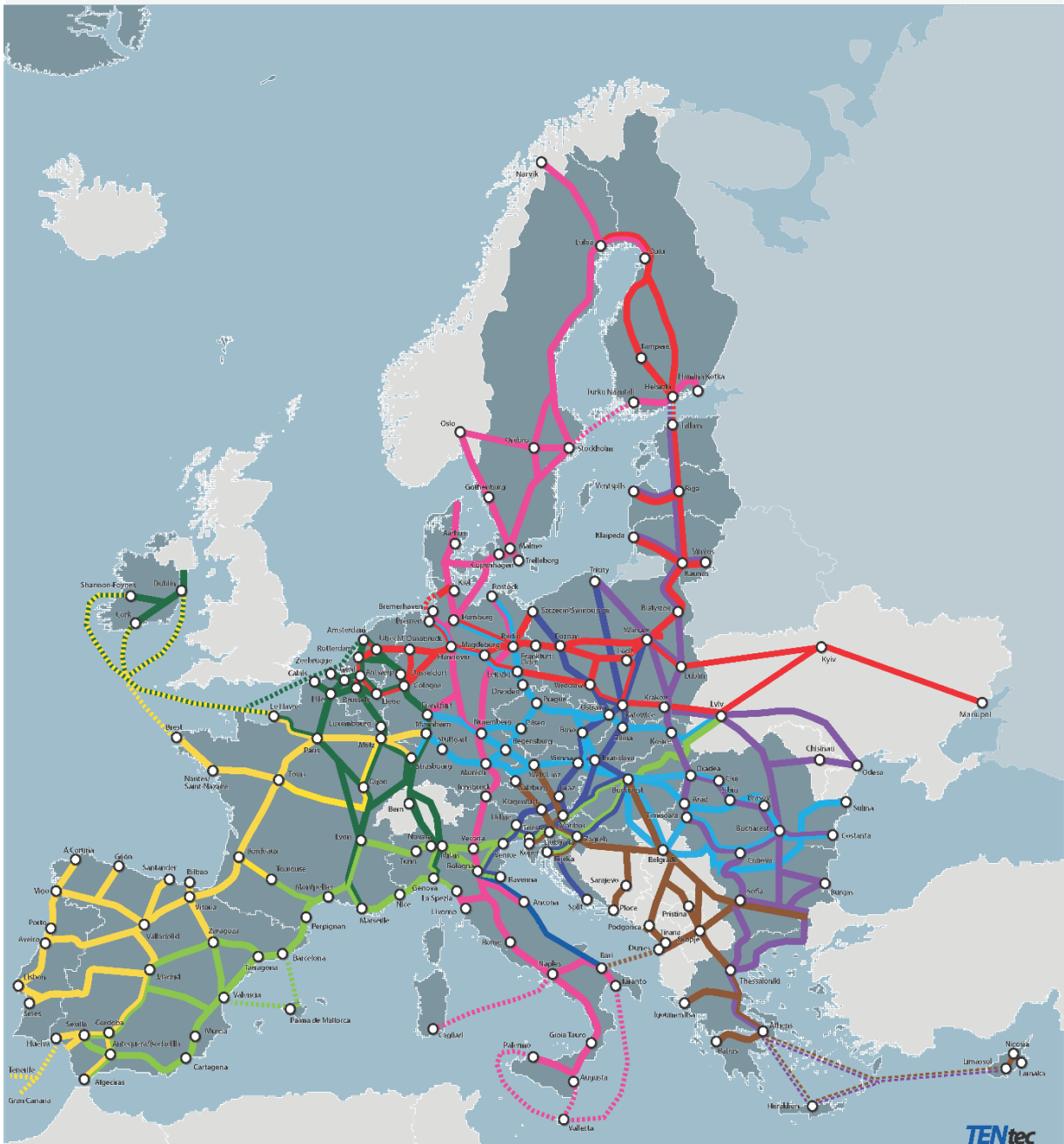
<sup>(31)</sup> COM(2021) 812





European Commission

# EUROPEAN TRANSPORT CORRIDORS TRANS - EUROPEAN TRANSPORT NETWORK



TENtec

The parts of the map pertaining to corridor alignment in third countries are indicative.

- ATLANTIC
- NORTH SEA - RHINE - MEDITERRANEAN
- NORTH SEA - BALTIC
- SCANDINAVIAN - MEDITERRANEAN
- BALTIC SEA - ADRIATIC SEA
- RHINE - DANUBE
- MEDITERRANEAN
- WESTERN BALKANS - EASTERN MEDITERRANEAN
- BALTIC SEA - BLACK SEA - AEGEAN SEA

## Connecting Europe Facility

In 2023, the Connecting Europe Facility programme continued to support the TEN-T policy objectives, with focus on the completion of cross-border and missing links along the networks. 2022 CEF Transport calls – awarded in June 2023 – mostly targeted the railway infrastructure, amounting to over EUR 5.2 billion of EU co-funding. Support was provided for the completion of the key TEN-T cross-border railway sections of the Rail Baltica, the Brenner, the Lyon-Turin, and to improve connections between Slovakia and Austria, Czech Republic and Germany, Germany and Poland, Poland and Czech Republic, Romania and Bulgaria, France and Spain, Belgium and the Netherlands.

Other CEF 2022 project calls supported the Inland Waterways infrastructure along the TEN-T network; such as the connection of the Seine and Scheldt basins and the largest Inland Waterway network in Europe, the Seine-Scheldt network. CEF supported also the maritime sector by funding projects for new or upgraded Short Sea Shipping routes in Europe, (e.g. Helsinki (FI) –Tallin (EE) or Rostock (DE) – Trelleborg (SE)), and wider benefits maritime projects (e.g. icebreaking facilities for SE, FI and EE) via the Motorways of the Sea. The programme continued to support projects for the improved accessibility, safety and enhanced sustainability of core and comprehensive maritime ports, such as Burgas (BG), Cadiz (ES), Constanta (RO), Trelleborg (SE), Nantes (FR), Ystad (SE) and Rauma (FI).

During the 3rd quarter of 2023, the CEF Transport 2023 calls for proposals were launched, opening additional funding possibilities of EUR 7 billion of EU co-funding.

### 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 prepared the **review of the passenger rights regulatory framework**, comprising of a proposal amending the five existing regulations on enforcement of passenger rights in the EU <sup>(32)</sup> and a proposal establishing passenger rights for multimodal journeys <sup>(33)</sup>. The proposals focus on better enforcement, including the reimbursement of air passengers when flights are made via an intermediary, and on rights for multimodal journeys. DG MOVE initiated the revision of the interpretative guidelines concerning on air passenger rights <sup>(34)</sup> and the rights of passengers with disabilities and passengers with reduced mobility when travelling by air <sup>(35)</sup>, the target for publication being the first semester of 2024. The fact-finding study concerning bus and coach passenger rights <sup>(36)</sup> will be completed in 2024.

Meetings of the **National Enforcement Bodies (NEBs)** expert groups for air, bus and coach and waterborne passenger rights took place to promote implementation of EU passenger rights. The rail NEB expert group will be held in 2024 back-to-back with the Committee set up to give an opinion on the draft implementing act on a common form for

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<sup>(32)</sup> COM(2023) 753

<sup>(33)</sup> COM(2023) 752

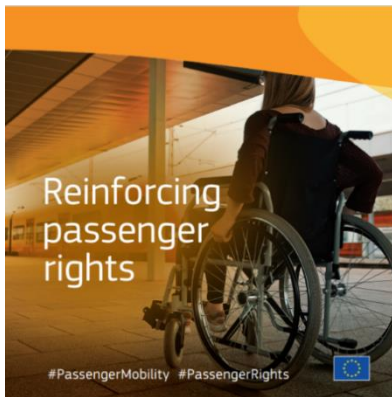
<sup>(34)</sup> Regulation (EC) No 261/2004

<sup>(35)</sup> Regulation (EC) No 1107/2006

<sup>(36)</sup> Regulation (EU) No 181/2011



reimbursement and compensation requests for rail passengers. The six Western Balkans NEBs for air joined for the first time the meeting of the air NEB expert group as observers.



The dialogue with all Member States on enforcement of passenger rights continued throughout 2023. The issues requiring further exchanges in EU Pilot platform concerned the COVID-19 crisis (all pending dialogues were closed in October 2023), but also preferential tariffs for residents in some Member States. DG MOVE also verified the enforcement through biennial national reports describing Member State actions to implement bus and coach passenger rights <sup>(37)</sup> and waterborne passenger rights <sup>(38)</sup>.

**Eurobarometer survey on passenger rights** was launched, with results expected in 2024. Potential development of an IT tool for a more effective enforcement of passenger rights by NEBs started and will continue in 2024. Action has been taken to streamline and improve the consistency and language used to make both the Your Europe website and the European Commission's passenger rights app for mobile phones more user friendly.

A **new online communication campaign** for 2023-2024 was launched in December 2023, to raise awareness of about EU passenger rights. The previous campaign ended in summer 2023 as overall successful, while the 2022-2023 campaign generated over 5.7 million clicks across the different platforms, largely exceeding the expected numbers.

DG MOVE was involved in making the **EU Digital COVID Certificate** a global standard. On 1 July 2023, the World Health Organization (WHO) took up the EU system of digital COVID-19 certification to establish a global system that will help protect citizens across the world from on-going and future health threats, including pandemics.

To apply **equality mainstreaming to the EU transport policy**, transport-specific training and learning material was developed in DG MOVE, including a handbook, to help staff improve their understanding of equality issues and enable them to apply equality mainstreaming in their daily work. The handbook will also be available to a broader public.

An important workstream encompassed **enforcement of existing legislation**, with the assessment of a number of measures adopted by Member States to ensure compliance with EU law. DG MOVE reviewed and coordinated over 264 proposals for **infringements concerning EU transport acquis** in 2023.

DG MOVE with the support of Eurocontrol, engaged with European and National stakeholders in preparation for the summer season 2023 in order to avoid the risk of airport chaos and flight cancellations and to increase the **resilience of the air transport system** in the EU. DG MOVE published in a comprehensive study to assess **the impacts of**

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<sup>(37)</sup> Regulation (EU) No 181/2011

<sup>(38)</sup> Regulation (EU) No 1177/2010

**the COVID-19 pandemic on the aviation market** <sup>(39)</sup>. DG MOVE also continued its analytical work on preparing a broader evaluation **on airport legislation**.

DG MOVE continued to prepare a **revision of the train drivers Directive** <sup>(40)</sup>. Its evaluation highlighted shortcomings of the EU-wide certification scheme and pointed to an insufficient harmonisation of the certification requirements hampering the mobility of train drivers between Member States.

DG MOVE has worked on the evaluation of **the EU Agency for Railways**, including its working practices, overall functioning of the dual system for vehicle authorisation and safety certification, the one-stop-shop and harmonised implementation of ERTMS.



DG MOVE prepared a proposal to revise **the driving and rest time rules of drivers involved in the occasional carriage of passengers by bus and coach** <sup>(41)</sup> to better reflect the nature of occasional bus and coach services.

All of these key developments were accompanied by external communication activities, in particular via DG MOVE's [X account](#), [newsletter](#) and [website](#), with the aim to reach relevant stakeholders and multipliers. Under objective 3, these activities focused in particular on the **revised TEN-T regulation**, which reached a very high number of stakeholders and citizens on social media (274900 impressions on DG MOVE's social media alone), the **Passenger Mobility Package** and its **new online communication campaign** for 2023-2024, to raise awareness of about EU passenger rights.

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<sup>(39)</sup> <https://op.europa.eu/en/publication-detail/-/publication/d59cb77d-276d-11ee-839d-01aa75ed71a1>

<sup>(40)</sup> Directive 2007/59/EC

<sup>(41)</sup> COM(2023) 256

## Rationalisation proposals

In March 2023 Commission President von der Leyen stressed the need to design EU laws in such a way that they do not burden EU businesses but support them. In its Communication on 'Long-term competitiveness of the EU: looking beyond 2030' <sup>(42)</sup>, the Commission has emphasised stressed the importance of a regulatory system that ensures that objectives are reached at minimum costs.

Transport legislation is key both for SMEs and for the economy at large. For this reason, DG MOVE has always paid attention to reducing administrative burden, in particular when reviewing legislation. Examples:

(-) A harmonised legal framework for railway capacity and traffic management and the abolition of the rail freight corridors <sup>(43)</sup> is estimated to lead to yearly administrative cost savings for infrastructure managers of EUR 0.4 million from 2025 onwards (EUR 8.2 million expressed as present value over 2025-2050).

(-) The revision of the Weights and Dimensions Directive <sup>(44)</sup> is estimated to lead to administrative cost savings for public authorities of EUR 81.5 million in 2030 and EUR 64.1 million in 2050 (EUR 1.2 billion expressed as present value over 2025-2050). Road transport operators, many of whom are SMEs, are expected to benefit of administrative costs savings equal to EUR 250.3 million in 2030 and EUR 261.1 million in 2050 (EUR 4.4 billion expressed as present value over 2025-2050).

(-) The revision of the Port State Control Directive <sup>(45)</sup> is estimated to result in administrative costs savings for the shipping sector, estimated at EUR 0.3 million per year on average from 2025 onwards (EUR 5.5 million expressed as present value over 2025-2050).

Together with the Commission Work Programme 2024, DG MOVE has prepared three proposals <sup>(46)</sup> simplifying reporting requirements, with rationalisation concerning Computer Reservation Systems, investigation and prevention of accidents and incidents in civil aviation, tachographs in road transport, promotion of clean and energy-efficient road transport vehicles uniform procedures for checks on the transport of dangerous goods by road, access to the groundhandling market at Community airports, airport charges, as well as monitoring data methodologies and the format for reporting passively fished waste. DG MOVE also worked on preparing a rationalisation plan – to be delivered early 2024.

## 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 war of 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 DG MOVE continued to manage and implement the **Solidarity Lanes** <sup>(47)</sup> between the EU and Ukraine. Between March 2022 and January 2024, over 61 million tonnes of grain, oilseeds, and related products have left Ukraine

<sup>(42)</sup> COM(2023)168

<sup>(43)</sup> COM(2023) 443

<sup>(44)</sup> COM(2023) 445

<sup>(45)</sup> COM(2023) 271

<sup>(46)</sup> COM(2023) 591 and COM(2023) 592

<sup>(47)</sup> COM(2022) 217

through the Solidarity Lanes. The Solidarity Lanes have also allowed Ukraine to import around 40 million tonnes of goods it needs: from military and humanitarian aid, to fuel and other products. The total value of trade via the Solidarity Lanes till January 2024 was estimated at around EUR 120 billion, with more than EUR 40 billion for Ukrainian exports and over EUR 80 billion for Ukrainian imports.

To **improve the links and connections with our neighbours at the Union's borders**, the revised TEN-T Regulation took greater account of the participation of third countries in TEN-T policy, in particular by creating new cross-border links with third countries and by extending European Transport Corridors to third countries. The agreement reached by the two co-legislators includes four Corridors stretching onto Ukraine (North-Sea Baltic Corridor, Baltic Sea-Black-Sea- Aegean Sea Corridor, Rhine-Danube Corridor and Mediterranean Corridor) and the Baltic Sea-Black sea-Aegean Sea Corridor stretching onto the Republic of Moldova. A new European transport corridor Western Balkans-Eastern Mediterranean Corridor was created, involving for the first time the Western Balkans partners. The A delegated act for revised **maps of the TEN-T in the Western Balkans** was adopted in December 2023, to better target the Union's cooperation with the Western Balkan partners. The role of third countries was recognised in the legal text of the revised TEN-T Regulation.

The Commission signed **High-Level Understandings with Ukraine and Moldova to revise the trans-European transport network** in their territories and improve connections with the EU on 22 December. The modified TEN-T maps for both countries reflect new transport priorities in the wake of Russia's war of aggression against Ukraine. The changes will be reflected in the new TEN-T Regulation when it enters into force in early 2024. The adapted maps will step up connectivity between Ukraine and Moldova and with the EU, which will be particularly important now that the European Council has decided to launch accession negotiations with both countries.

The **road transport agreement with Ukraine** was extended until 30 June 2024. Together with the agreement with Moldova already extended until 30 June 2024 in 2022, these agreements aim at helping the economy of both countries in the context of the war and especially at facilitating their trade exchange with the EU by road.

**Moldova and Ukraine have been associated to the Connecting Europe Facility**, allowing project promoters of these countries to apply directly for EU funding for projects of common interest in the transport sector. Funding of 9 infrastructure projects at border crossing points between the EU and Moldova and Ukraine was enabled for a total support of around EUR 250 million, generating a total investment of EUR 500 million, by far the largest amount mobilised to develop connecting infrastructure with these two countries.

DG MOVE contributed to the preparatory work (including reports assessing alignment with EU acquis) leading to the European Council decision of 14-15 December 2023 to **open**



**accession negotiations with Ukraine and Moldova** and to grant an EU

candidate status to Georgia, as well as the start of the process (screening). Within the Transport Community Treaty (TCT), continuing discussions in 2023 with the contracting parties as regards the involvement of Ukraine, Moldova and Georgia, with a view to prepare the ground for a future full membership of the three countries in the TCT.

#### **Sanctions against the Russian Federation and Belarus** <sup>(48)</sup>

DG MOVE contributed to monitoring enforcement of the existing restrictive measures in the transport sector against the Russian Federation and Belarus <sup>(49)</sup>, as well to the design of the new sanctions. The 11th package included a full ban on trucks with Russian trailers and semi-trailers from transporting goods to the EU, prohibition to access EU ports for vessels that engage in ship-to-ship transfers suspected to be in breach of the Russian oil import ban or G7 Coalition price cap, prohibition to access EU ports for vessels if a vessel does not notify the competent authority at least 48 hours in advance about a ship-to-ship transfer occurring within the Exclusive Economic Zone of a Member State or within 12 nautical miles from the baseline of that Member State's coast, as well as prohibition to access EU ports for vessels which manipulate or turn off their navigation tracking system when transporting Russian oil subject to the oil import ban or G7 price cap.

DG MOVE was active in many other actions contributing to the headline objective of making the EU strong in the world. Examples include:

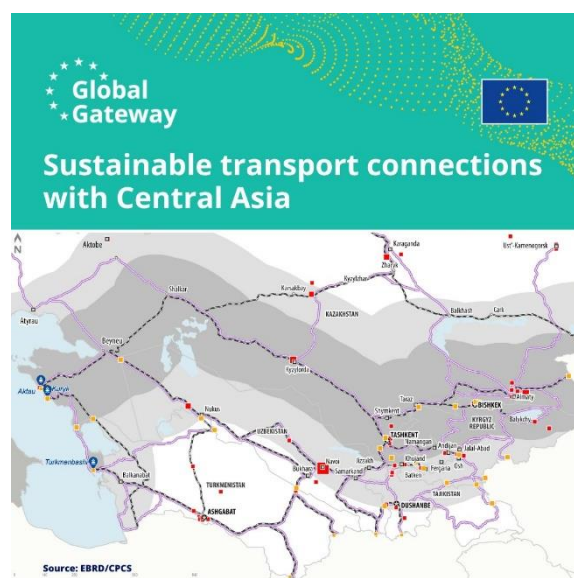
- Working closely with **EEA-EFTA States** on the implementation and updates transport aspects of the EEA, including on the incorporation into the EEA Agreement of the long-standing major EU acquis in the aviation and maritime sectors.
- Coordinating transport relations with **Switzerland**, after Swiss termination of negotiations of the Institutional Framework Agreement, leading to the Common Understanding between the Commission and Switzerland and the preparation and adoption of the Commission proposal for the EU mandate for negotiations with Switzerland at the end of 2023.
- Coordinating DG MOVE participation in the negotiations on the association agreement between the EU and **Andorra and San Marino**, concluded in December 2023.

<sup>(48)</sup> [https://finance.ec.europa.eu/eu-and-world/sanctions-restrictive-measures/sanctions-adopted-following-russias-military-aggression-against-ukraine\\_en](https://finance.ec.europa.eu/eu-and-world/sanctions-restrictive-measures/sanctions-adopted-following-russias-military-aggression-against-ukraine_en)

<sup>(49)</sup> [https://finance.ec.europa.eu/eu-and-world/sanctions-restrictive-measures/sanctions-adopted-following-russias-military-aggression-against-ukraine\\_en](https://finance.ec.europa.eu/eu-and-world/sanctions-restrictive-measures/sanctions-adopted-following-russias-military-aggression-against-ukraine_en)



- Reinforcing the **transatlantic cooperation**, following the 2021 and 2023 EU-US Summits (e.g., contribution to the EU-US Trade and Technology Council) and preparation and participation in high level meetings;
- Promoting the EU’s sustainable, rules-based, comprehensive and people-centred approach to connectivity vis-à-vis relevant third countries through existing frameworks of cooperation (e.g., transport dialogues) in line with the **Global Gateway** initiative;
- Continuing involvement in **EU-Africa cooperation**, building on the Africa-Europe Taskforce recommendations on aviation, road safety and infrastructure/connectivity and in particular supporting the Single African Air Transport Market, aviation safety and environmental protection.



DG MOVE continued to monitor **Piracy/Armed Robbery at Sea worldwide**, and to contribute the initiatives strengthening maritime security in the Gulf of Guinea, as well as addressing the Red Sea crisis.

In **the inland waterways** DG MOVE continued coordinating cooperation with international organisations, such as the UN-ECE <sup>(50)</sup>, CESNI <sup>(51)</sup>, CCNR <sup>(52)</sup> or the Danube Commission. The Commission proposed several Council decisions in order to establish a coordinated EU position in these organisations. In addition, the Commission financially supported through CEF the CCNR, CESNI and the Danube Commission.

DG MOVE also worked on arrangements with UNECE on the **delivery and certification of tachograph cryptographic material** by the Joint Research Centre (JRC) to UNECE contracting parties in the framework of AETR.

DG MOVE engaged in work in the framework of UNECE to develop a **global convention on the contract for international carriage of goods by rail** as an interface law and optional alternative to the two existing regional regimes of Organisation for Co-operation Between Railways (OSJD) and Intergovernmental Organisation for International Carriage by Rail Dangerous Goods (OTIF). The “interface law” approach envisages the creation of unified rules for rail transport on Euro-Asian corridors, while leaving unaffected the two existing rail regional organizations OTIF and OSJD. The new Convention will be considered by the UNECE Inland Transport Committee in February 2024 for the opening for signature. This outcome implements the 2013 UNECE Ministerial Declaration on the “promotion of Euro-

<sup>(50)</sup> The United Nations Economic Commission for Europe.

<sup>(51)</sup> Comité européen pour l’élaboration de standards dans le domaine de la navigation intérieure (CESNI).

<sup>(52)</sup> Central Commission for Navigation on the Rhine (CCNR).

Asian rail transport and activities towards unified railway law” and contributes at EU level to the implementation of the “EU Asia Connectivity Strategy”.

All of these key developments were accompanied by external communication activities, in particular via DG MOVE’s [X account](#), [newsletter](#) and [website](#), with the aim to reach relevant stakeholders and multipliers. Under objective 4, these activities focused in particular on the **EU-Ukraine Solidarity Lanes**, for example with the production and dissemination of [videos](#) in frontline Member States, Moldova and Ukraine.

## 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 continued the implementation of **the Action Plan on Military Mobility 2.0** <sup>(53)</sup>. The Commission with the European External Action Service (including EU Military Staff) launched a study on main Military Mobility corridors for large-scale short-notice movements. The revised TEN-T Regulation for the first time requires the Member States to consider military mobility needs when investing in the TEN-T infrastructure. The new maps include additional roads and railway lines relevant for the military, and infrastructure standards are strengthened to benefit not only civilian, but also military mobility.

DG MOVE prepared a revision of the **Cross-Border Enforcement Directive** <sup>(54)</sup> as well as a new proposal on **Union-wide effect of certain driving disqualifications** <sup>(55)</sup>. The main objective of these proposals is to improve road safety by better enforcement of road traffic rules and thus decrease socio-economic costs linked to road fatalities, injuries and material damage caused by road accidents, reduce administrative burden for Member States’ authorities by tailored, digitised cross-border investigation procedures. The Council adopted the general approach on CBE the proposal in December 2023.

DG MOVE prepared a revision of the **Driving Licence Directive** <sup>(56)</sup>, proposing a digital driving licence valid throughout the EU and strengthens the enforcement of traffic rules across borders. The new rules will improve safety for all road users, and will help the EU achieve its Vision Zero – having no deaths on EU roads by 2050. They will prepare drivers for zero-emission vehicles and for driving on city roads, alongside more bicycles and two-wheelers, and with many pedestrians around. They will also allow young drivers to gain experience through an accompanied driving scheme - thus help address the



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<sup>(53)</sup> JOIN(2022) 48

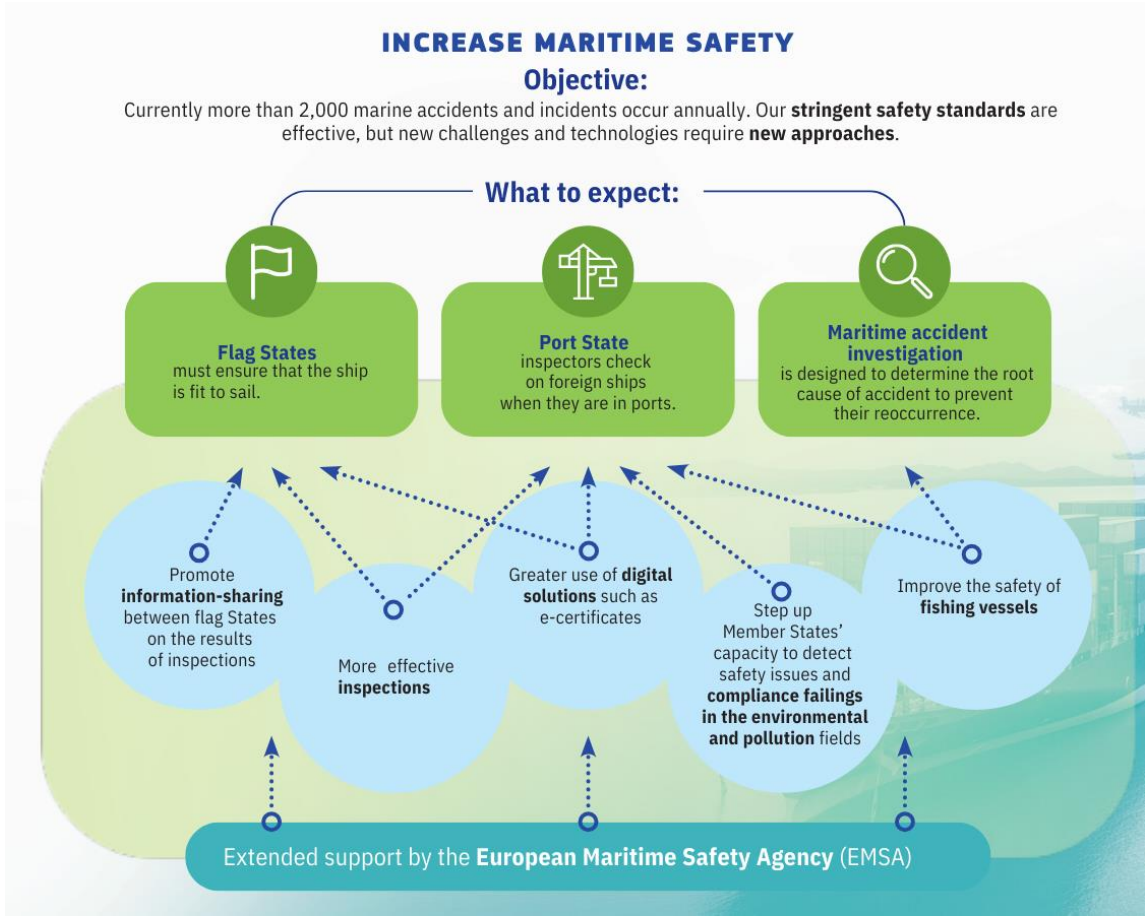
<sup>(54)</sup> COM(2023) 126

<sup>(55)</sup> COM(2023) 128

<sup>(56)</sup> COM(2023) 127

current driver shortage. The Council adopted the general approach on the proposal in December 2023.

On **maritime safety**, DG MOVE prepared for the College adoption a set of measures <sup>(57)</sup> On **maritime accident investigation** <sup>(58)</sup>, **port State control** <sup>(59)</sup> and **flag State requirements** <sup>(60)</sup>. Taken together, these proposals are to ensure efficient, sustainable, and safe maritime traffic and transport, for the benefit of EU citizens, coastal communities and marine environment. DG MOVE worked within the IMO on safety and security matters, digitalisation, and the greening and decarbonisation of shipping, to maintain a level-playing field between the EU and the rest of the world.



As part of the maritime safety package, DG MOVE prepared a revision of the **European Maritime Safety Agency mandate** <sup>(61)</sup>. The revision was needed to better define the role of the Agency in the areas of sustainability and digitalisation and to make EMSA's formal role and hierarchy of tasks fit for purpose to reflect new tasks and operational practice. DG MOVE engaged in advancing inter-institutional negotiations.

<sup>(57)</sup> COM(2023) 268  
<sup>(58)</sup> COM(2023) 270  
<sup>(59)</sup> COM(2023) 271  
<sup>(60)</sup> COM(2023) 272  
<sup>(61)</sup> COM(2023) 269



DG MOVE pursued work on the evaluation of the EU directive on **fishing vessel safety** which aims to address the non-ratification of the relevant international agreement and identify regulatory gaps in safety as well as potential updates to reflect technological developments. The report will be adopted in the beginning of 2024.

The yearly update on marine equipment standards covering the design, construction and performance requirements and testing standards for **marine equipment** was carried out with the adoption of the related Implementing Regulation <sup>(62)</sup>. DG MOVE supported Member States market surveillance authorities by organising targeted administrative cooperation group meetings.

Together with EMSA, DG MOVE worked on implementation and enforcement of minimum levels of **training of seafarers** <sup>(63)</sup> in the EU and in third countries, given the importance of the human factor for maritime safety. A major outcome last year was the adoption in March of the Decision to extend the recognition for the Philippine's seafarers' certificates.

Following the recommendation from the EU's Aviation Security Regulatory Committee, DG MOVE prepared an overview of the actions aimed at ensuring **aviation security** <sup>(64)</sup>. The report presents the improvements identified during this consultation with a view to engaging further with Member States and stakeholders towards an enhanced EU aviation security framework that is more resilient, innovative, and fit for the future.

The EASA Committee and the civil aviation safety expert group met to discuss the application of common **safety rules for civil aviation** as well as to adopt 11 regulatory proposals improving the EU's aviation safety system. Two regular meetings of the Air Safety Committee (ASC) were held to update the EU Air Safety List Regulation <sup>(65)</sup>. A revised Working Arrangement between the EU and ICAO was signed, to promote and assist ICAO Contracting States to access the EU ECCAIRS system.

All of these key developments were accompanied by external communication activities, in particular via DG MOVE's [X account](#), [newsletter](#) and [website](#), with the aim to reach relevant stakeholders and multipliers. Under objective 5, these activities focused in particular on the annual **road safety statistics**, the revision of the **Driving Licence Directive** and **Cross-Border Enforcement Directive**, the **EU Air Safety List** and the proposals on **Maritime Safety**.

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<sup>(62)</sup> Commission Implementing Regulation (EU) 2023/1667

<sup>(63)</sup> Directive (EU) 2022/993

<sup>(64)</sup> SWD(2023)37

<sup>(65)</sup> [The EU Air Safety List - European Commission \(europa.eu\)](#)

## 2. INTERNAL CONTROL AND FINANCIAL MANAGEMENT

Assurance is provided on the basis of information on the efficiency and effectiveness of internal control systems and governance processes. The management monitors the functioning of the internal control systems on a continuous basis and carries out an objective examination with 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 the full 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. Control results, 2.2. Audit observations and recommendations, 2.3. Effectiveness of internal control systems, and resulting in 2.4. Conclusions on the assurance.

## 2.1. Control results

This section reports on the control results used by management to support the assurance on the achievement of the internal control objectives (ICO) <sup>(66)</sup>. DG MOVE'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.

Under direct management DG MOVE principally manages procurements, as described in details in Annex 6, Relevant Control System (RCS 3), and has a limited exposure to grants (RCS 1 and 2). It also manages the operating budget of CINEA (RCS 4) and under indirect management entrusts tasks to Joint Undertakings (RCS 5) and Decentralised Agencies (RCS 6). DG MOVE manages Financial Instruments (RCS 7). The main indicators are the residual error rate, the risk at closure and the performance of the financial portfolios.

DG MOVE has established a system of controls and checks aiming to ensure sound financial management and to build reasonable assurance on the legality and regularity of all financial transactions. These controls are embedded in the roles and responsibilities of the different actors as per DG MOVE's Control Strategy.

### Overview of the 2023 budget implementation

The total payments of DG MOVE in 2023 amount to EUR 453.58 million, the vast majority being operational as the administrative part only accounts for less than 0.1%. In 2023, DG MOVE had a very high execution of its payment appropriations <sup>(67)</sup> (99%). DG MOVE furthermore implemented 100% <sup>(68)</sup> of its commitment appropriations (EUR 438.73 million). As in the past few years, DG MOVE's main budget management mode for the year was indirect management.

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

- **direct management** (8.6% of the expenditure), which includes grants and procurements related to the research programmes, Connecting Europe Facility Transport grants/support actions, Single European Sky (SES) Advisory bodies and administrative agreements; and

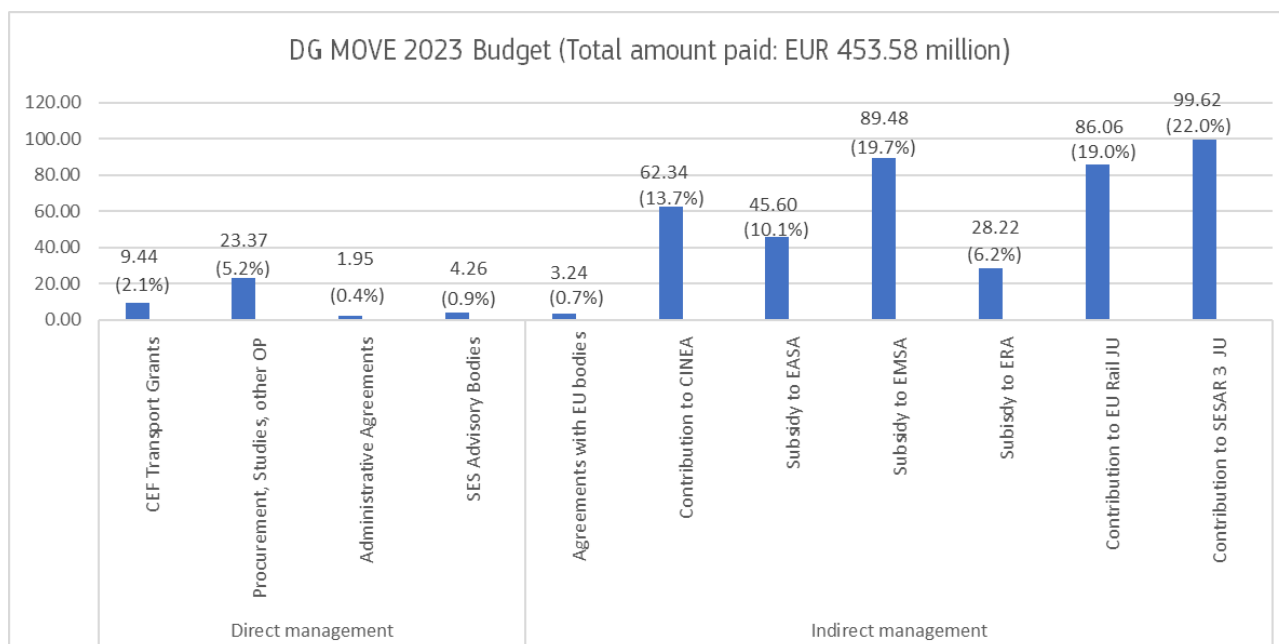
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<sup>(66)</sup> 1) Effectiveness, efficiency and economy of operations; 2) reliability of reporting; 3) safeguarding of assets and information; 4) prevention, detection, correction and follow-up of fraud and irregularities; and 5) adequate management 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) only when applicable, given the DG's activities.

<sup>(67)</sup> Based on C1, C5, C8 and E0 credits only (payment appropriations expiring at the end of the financial year), while tables 1 and 2 of Annex 3 include all authorised appropriations.

<sup>(68)</sup> Based on C1, C2, C5 and E0 credits only (commitment appropriations expiring at the end of the financial year), while tables 1 and 2 of Annex 3 include all authorised appropriations.

- **indirect management** (91.4% of the expenditure), including the contribution to entrusted entities (Joint Undertakings and Decentralised agencies) and to the executive agency CINEA.



In addition to this expenditure, DG MOVE manages a share in the CEF Financial Instrument investments (EUR 598.39 million) (see Annex 7 for details).

DG MOVE's management 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 2023 and worked as intended;
- 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.
- As a result and taking into account the multiannual character of the main programmes, no new reservation is introduced in this AAR. 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) in 2023.
- No cases of financing not linked to costs (new FR art 125.3) in 2023.
- No new cases of Financial Framework Partnerships with a duration of more than 4 years (new FR art 130.4) in 2023.
- No cases of flat-rates >7% for indirect costs (new FR art 181.6) in 2023.

- No cases of "Derogations from the principle of non-retroactivity of grants pursuant to Article 193 FR" (new FR art 193.2) in 2023.

## 2.1.1. Effectiveness of controls

### ***a) Legality and regularity of the transactions***

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.

#### *1) Control objective*

The overall control objective is to ensure that risks relating to the legality and regularity of the underlying transactions are adequately managed. The main indicator, the residual error rate affecting the relevant expenditure of 2023 remains below 2%. For the expenditure under the Horizon 2020 (H2020) programme (see RCS 1), 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%. For other grants (RCS 2) and procurements (RCS 3) under direct management, the objective is to remain strictly under the 2% threshold. For expenditure under indirect management (RCS 4, 5 and 6) the control objective is to obtain the necessary assurance as regards the legality and regularity and performance of the operations managed by the entrusted entities. Further details on DG MOVE's assurance building and materiality criteria are outlined in annex 5.

#### *2) Assessment of the control results*

DG MOVE's Control Strategy comprises all control activities applicable to the operational and financial implementation of its spending programmes.

Regarding the **directly managed actions**, 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. The ex-post controls on segments involving grants had a positive deterrent effect, fostering system improvements and a better compliance. 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.

In 2023, DG MOVE phased out the SESAR Deployment Manager Framework partnership. The final residual error rate is below 2%. No payments were made yet under the new

deployment manager model <sup>(69)</sup>. The detected error rate on CEF Transport grants was 1.7% under the 2% threshold).

Regarding **indirect management**, the key elements considered for the assurance are the delegation of expenditure to the two JUs – SESAR 3 JU and EU-Rail JU, the contributions paid to the Decentralised Agencies (EMSA, ERA and EASA), the executive agency CINEA and the CEF Debt Instrument. The reports received from these entities provide the necessary assurance. The control objective is considered fulfilled.

The report received from the EIB regarding the DG MOVE share in the CEF Debt Instrument indicates a positive economic result amounting to EUR 36.89 million, which partially absorbed the non-realised loss observed in 2022.

### *3) Supervision/Coordination of EU bodies (executive agencies, decentralised agencies, joint undertakings).*

DG MOVE is the lead parent DG for the CINEA. The supervision was effective, and the controls performed to the monitoring of the agency and the steering of its governance provided DG MOVE with a reasonable assurance that the Agency implemented effectively the programmes, protected the financial interests of the EU and that there are no particular issues, events or problems that could have a material impact on the assurance. DG MOVE confirms the effective fulfilment by CINEA of the implementation of the CEF Transport programme <sup>(70)</sup>.

DG MOVE ensures the supervision of the EMSA, EASA and ERA decentralised agencies. The three agencies carried out their work in 2023 in full alignment with agreed objectives of the Commission. The regular monitoring and supervision activities on these decentralised agencies did not identify any particular issue that could have a material impact on the assurance. Reports from both external and internal auditors did not highlight any major issue that might raise additional concerns for DG MOVE. Overall, DG MOVE considers that its supervision of these decentralised agencies is effective and appropriate and is therefore in the position to give assurance as to its activities in this respect <sup>(71)</sup>.

DG MOVE also entrusts implementation of EU budget to SESAR 3 JU and EU-Rail JU. In addition to implementing their work programmes in line with the delegation from the Commission, DG MOVE's involvement in the governance of these JUs through the Commission participation did not identify any events, issues or problems which could have a material impact on assurance. Reports from both external and internal auditors did not highlight any major issue that might raise additional concerns for DG MOVE in this respect, and DG MOVE is well placed to provide assurance accordingly.

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<sup>(69)</sup> As of 2023, the deployment manager function is operated under a new governance model relying on the expertise of Eurocontrol.

<sup>(70)</sup> See CINEA's AAR and Annex 7 of DG MOVE AAR for further details on the agency performance.

<sup>(71)</sup> See DG MOVE AAR Annex 7 and Annex 11 for further details.

#### 4) Overview of DG MOVE risk profile

DG MOVE's portfolio consists of segments with a low risk profile, thanks their management mode and the nature of the beneficiaries, and the performance of the related control systems. It mainly concerns CEF Transport grants and support actions, the directly managed procurements, indirectly managed expenditure and payments made to the entrusted entities. One higher risk segment was phased out in 2023. Furthermore, no payment was made in 2023 in respect of the Horizon 2020 grants. On a multiannual basis the assessment on legality and regularity for the directly managed Horizon 2020 funds shows that the estimated residual error rate is in the range of 2% to 5% (slightly above 2%).

#### 5) Table (X): Estimated risk at payment and at closure

Based on all the above, DG MOVE presents in the following table an estimation 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	%
CEF Transport grants (RCS 2)	9.44	14.60	0.25	1.70%	0.02	0.13%	0.23	1.57%
Procurements, studies and other OP (RCS 3)	23.55	23.76	0.12	0.50%	0.03	0.13%	0.09	0.37%
SES Advisory Bodies (RCS 3)	4.26	4.14	0.02	0.50%	0.01	0.13%	0.02	0.37%
Administrative agreements (RCS 3)	1.95	1.95	0.01	0.50%	0.00	0.13%	0.01	0.37%
Contribution agreements with EU bodies (RCS 5)	3.06	0.27	0.00	1.62%	0.00	0.23%	0.00	1.39%
Subsidy to EASA (RCS 6)	45.60	40.37	0.00	0.00%	0.00	0.00%	0.00	0.00%
Subsidy to EMSA (RCS 6)	89.48	85.60	0.00	0.00%	0.00	0.00%	0.00	0.00%
Subsidy to ERA (RCS 6)	28.22	26.85	0.00	0.00%	0.00	0.00%	0.00	0.00%
Contribution to EU Rail JU (RCS 5) under H2020	11.83	11.83	0.30	2.57%	0.12	1.02%	0.18	1.55%
Contribution to EU Rail JU (RCS 5) under HE	74.23	0.00	0.00	2.00%	0.00	0.00%	0.00	0.00%
Contribution to SESAR 3 JU (RCS 5) under H2020	25.67	25.67	0.66	2.57%	0.26	1.02%	0.40	1.55%
Contribution to SESAR 3 JU (RCS 5) under HE	73.95	0.00	0.00	2.00%	0.00	0.00%	0.00	0.00%
<b>Total without contribution to EA's operating budget</b>	<b>391.24</b>	<b>235.05</b>	<b>1.37</b>	<b>0.58%</b>	<b>0.44</b>	<b>0.19%</b>	<b>0.92</b>	<b>0.39%</b>
CINEA (RCS 4)	62.35	52.85	0.00	0.00%	0.00	0.00%	0.00	0.00%
<b>Total DG (with contributions to EAs)</b>	<b>453.58</b>	<b>287.90</b>						

The estimated overall risk at payment for 2023 expenditure, 0.58%, is the AOD's best conservative estimate of the amount of relevant expenditure during the year that is 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, corresponding to the conservatively estimated future corrections for 2023 expenditure, 0.19%. The difference between those two estimates results in the estimated overall risk at closure <sup>(72)</sup> of 0.39% (0.17% in 2022). The increase is largely due <sup>(73)</sup> to a change in calculation of the amount at risk related to the operations of Joint Undertakings and Decentralised Agencies.

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

#### *6) Preventive and corrective measures*

As regards the corrections carried out in 2023, DG MOVE has in place an effective mechanism for correcting errors, through ex-ante and ex-post controls, resulting in preventive and corrective measures, amounting to EUR 1.15 million and EUR 0.06 million respectively. This represents an increase compared to last year, with EUR 1.01 million and EUR 0.08 million respectively which is mostly explained by a higher amount of irregularities detected ex-ante.

#### ***b) Fraud prevention, detection and correction***

DG MOVE has developed and implemented its own anti-fraud strategy since 2012, based on the methodology provided by OLAF. The anti-fraud strategy was last updated in October 2020 and the action plan was updated in line with the previous action plan with a revised set of actions covering the period 2023-2025. Pending the adoption of the revised action plan following a fraud risk assessment, continuous actions and awareness raising activities from the previous action plan were implemented in 2023.

The implementation of the action plan is regularly monitored and reported to senior management through the control board three times per year, through tracking of

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<sup>(72)</sup> 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.

<sup>(73)</sup> Based on the methodology used in 2022, the amount at risks for 2023 would have been 0.25% (estimated overall risk at payment) and 0.20% (estimated overall risk at closure).



performance indicators since December 2020 from the Internal Control Monitoring Criteria and when necessary, through targeted reports.

DG MOVE also provided input for the revision of the Commission anti-fraud Action Plan of July 2023, notably to actions 31 (relation with entrusted entities) and 40 (training).

There are no outstanding OLAF recommendations for DG MOVE.

DG MOVE is a stakeholder for the R&I anti-fraud strategy and was consulted on its revision, however it only has a limited involvement in the implementation of projects as current transport research projects are implemented through CINEA.

In 2023, DG MOVE achieved its objectives in terms of representation in anti-fraud networks and working groups and anti-fraud 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.

### ***c) Safeguarding of assets and information***

The general controls objectives “Safeguarding of assets and information” is relevant for DG MOVE but 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.

### ***d) Reliability of reporting***

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.

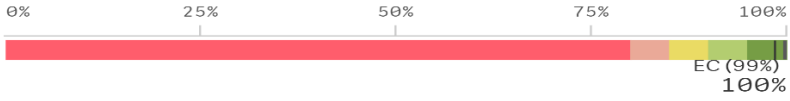
DG MOVE identified a minor internal control deficiency as regards the comprehensiveness of the inventory of measures ensuring reliability of information (ICF Principle 13). This deficiency however relate to how the measures are described and not to the substance of the controls. It has therefore no impact on the assurance.

DG MOVE received no observations on its accounts from ECA and relied on unqualified opinions of the accounts and management reporting from its entrusted entities.

## **2.1.2. 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 pay on time 100% of its payment appropriations, which is higher than the Commission average, demonstrating effective processing of payments and deadline monitoring.

Timely Payments	MOVE Score	EC Score
	<b>100%</b>	<b>99%</b>

The indicator related to payment forecast implementation returned an apparently unsatisfactory result (54%). However, this was due to the Global Transfer reinforcement of CEF of approximately EUR 400 million for which the payment was forecasted at DG MOVE level but implemented by CINEA.

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 was reconducted in 2023. It led to high levels of budget implementation, individualisation of all the global commitments and reduced number of global commitments at the end of 2023.
- In view of the new structure of the SESAR Deployment and Infrastructure Partnership (SDIP), a preventative audit of the main partner (Eurocontrol) was successfully carried out during 2023, to provide early assurance on the costs incurred or to be incurred on DG MOVE as well as CINEA grants which would in turn, prevent material errors from crystallising in ex-post audits. While it was focused on Eurocontrol, the coordinator of the consortium, the findings and recommendations can be applied to all 20 partners of the partnership. The resulting Action Plan should reduce the burden of future audits while at the same time provide clarity to the Beneficiary.

### 2.1.3. 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 2023 was EUR 9.69 million or 2.14% of the payments made in 2023. This cost is proportionate to the activities and comparable to the costs for 2022 of EUR 9.74 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.

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.

#### **2.1.4. 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.

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).

## **2.2. 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

In 2023, the IAS did not issue any recommendation addressed to DG MOVE. As regards the implementation of recommendations from previous audits, both important recommendations from the audit on Studies that are input into policy making in DG MOVE were implemented and closed by the IAS in February and June 2023 respectively.

In its contribution to the 2023 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

In 2023, DG MOVE was a lead service to one Special Report (SR) and associated to two other SRs of the ECA:

- *SR 08/2023 "Intermodal freight transport" (published in March 2023) – lead*
- *SR 01/2023 "Tools facilitating travel within the EU during the COVID-19 pandemic" (published in January 2023) - associated*
- *SR 24/2023 "Smart cities", (published in October 2023) - associated*

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

Several performance audits are ongoing: Road Safety, Hydrogen, Seawater Quality and Double Funding.

For the financial year 2022, DG MOVE was subject to the recurring ECA financial audit on the Declaration of Assurance (DAS) including the audit on the annual accounts of DG MOVE. However no important or critical shortcomings were identified for the transport related expenditure. Furthermore, there were no open recommendations from the previous DAS exercises for DG MOVE.

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 2.2. 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.

As regards DG MOVE's entrusted entities - SESAR 3 JU and EU-Rail JU and the three decentralised agencies: EMSA, EASA and ERA, ECA issued a clean opinion on the reliability of accounts and on the legality and regularity of operations. There are no elements that impair the declaration of assurance of DG MOVE.

### **2.3. 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 has concluded that it is effective, and the components and principles are present and functioning well overall, but some improvements are needed as a moderate and two minor deficiencies were identified related to:

- one moderate internal control deficiency as regards recurring issues related to the monitoring of contracts (ICF Principle 10)
- one minor internal control deficiency as regards the number of exceptions recorded (ICF Principle 12)
- one minor internal control deficiency as regards the comprehensiveness of the inventory of measures ensuring reliability of information (ICF Principle 13).

Considering that the weakness in respect of ICF Principle 10 is assessed as 'moderate' and that two principles of the Internal control Framework component III (Control activities) are affected by weaknesses, the entire component is assessed as partially functional.

The minor deficiencies identified in 2022 regarding invoice registration delays (ICF Principle 10) and the update of IT security Policies/Plans (ICF Principle 11) and shortcomings in collaboration and communication (ICF Principle 14) were addressed and are now considered as closed.

Ongoing or planned improvements and/or remedial measures focus on awareness raising regarding contract management and accountability of Authorising Officers as well as on drawing an inventory of measures to be reported as contributing to the assurance on the reliability of information.

## 2.4. 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 reported in section 2.1 stems from the results of management and auditor monitoring contained in the reports listed. 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 2023 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 0.39% of the 2023 relevant 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 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 one moderate and two minor deficiencies. Some improvements were identified. DG MOVE identified the necessary corrective actions, which will be implemented in 2024. 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 2023 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 of DG MOVE, in her capacity as Authorising Officer by Delegation has signed the Declaration of Assurance.

## 2.5. 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 view <sup>(74)</sup>.*

*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.*

*Brussels, 27 March 2024*

*(signed)*

*Magda Kopczyńska*

*AOD*

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<sup>(74)</sup> True and fair in this context means a reliable, complete, and correct view on the state of affairs in the DG.



## **3. MODERNISING THE ADMINISTRATION**

### **3.1. Human resource management**

In 2023, despite its scarce human resources, DG MOVE continued delivering on the Commission political priorities. This was only possible thanks to the professionalism and commitment of DG MOVE's staff.

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'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. No Head of Unit vacancy was published in 2023, therefore it was not possible to increase the number of first female appointments to middle management positions (HR indicator 1).

DG MOVE also continued to address the staff engagement (HR indicator 2) by specific trainings and internal communication actions targeted at all staff. In 2023, DG MOVE organised 11 courses on job-specific and transport & mobility topics, two conferences on diversity topics and several trainings on procurement, data protection and Internal Control.

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. DG MOVE organised several job-specific trainings and team events. In the 2023 Staff Survey, DG MOVE staff engagement stood at 76% (against a Commission average of 73%).

DG MOVE's 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 all equality issues and cooperated closely with the Local Equality Focal points across the DG and the HR Correspondent team. An Equality Mainstreaming Info Session was organised for all staff in March 2023 and transport specific training to help DG MOVE staff apply equality mainstreaming in their daily work is underway. In April, DG HR delivered a training on Diversity and Inclusion in the Commission for DG MOVE staff.

As part of DG MOVE's supervision strategy, the MOVE-ENER Shared Resource Directorate organised a seminar on Ethics and Conflict of Interest with a high participation from decentralised agencies and JUs focusing on the Commission rules governing conflict of interest and the need for entrusted entities to adopt and implement HR rules and policies applicable to EU staff across EU bodies.

## 3.2. Digital transformation and information management

### Digital Transformation

As regards *Data Ecosystem*, DG MOVE migrated the CARE and ICARE databases onto a new data platform aligned with the corporate data governance principles. Digital transformation projects (e.g., TENtec, ECDB, EHDB, KSDA) have introduced significant improvements regarding data management principles especially around data interoperability, automation and reuse of data.

The *Flagship Digital Transformation Initiatives* include the deployment of a new version of TENtec information system with functionalities like the import and export of data, automatic data exchange with external stakeholders along with user interface improvements. DG MOVE also progressed in 2023 with the implementation of the new European Hull Data Base (EHDB) information system. DG MOVE progressed with the Digital Transport Logistics Forum (DTLF), delivering legislation, architecture definitions, data sharing grids and further definitions which led to the launch of the eFTI4EU project (co-funded by the EU).

*Digital Culture*, and in particular Collaboration and communication was further improved by the migration to SharePoint online. In the framework of *EC Collaboration modernisation* and in line with the Collaboration Solutions Strategy, DG MOVE has developed and executed a detailed implementation roadmap and successfully transitioned from legacy collaborative platforms, namely 'Connected' and 'MyIntraComm', to a comprehensive corporate ecosystem by the end of 2023. It paves the way for optimized internal communications, streamlined processes and a focus on user needs. The new SRD hub has been launched in October 2023 and will be linked to the new DG MOVE hub to be deployed in Q1 2024. The network of SharePoint correspondents at unit level was set-up. In addition, cybersecurity awareness session took place in July with several articles were published on Intranet to raise awareness about cybersecurity threats.

The electronic freight transport information, a decentralised platform where freight transport operators can substitute paper documents with electronic information is an important tool for future *Digital-ready EU policy making*. The legislation was published and additional implementing/delegated acts will follow in 2024.

The decision to reuse e-Platform, initially developed by SRD for DG ENER, is an example of *Seamless digital environment*. DG MOVE will onboard to the reporting system in 2024 by integrating TRAMOS and SSKY into the platform. This should improve and simplify how Member States report their obligations to the Commission in the transport area. It is noteworthy that e-Platform was mentioned in the Commission work programme 2024 as a tool for collecting and sharing Member States reporting obligations data. On a similar note, DG-MOVE has worked on a Portfolio Transformation phased approach which the resulting actions will involve Digital Strategy initiatives like the use of low-code/no-code technology, migrations to the cloud, and reuse by adopting existing solutions to answer new business needs.

The *IT Governance* in DG MOVE has reached a stable and high level of maturity for the portfolio managed in house. DG MOVE has been nominated as one of the three DGs representing the single market family on the Information Technology and Cybersecurity Board at corporate level. The reporting and monitoring approach for the in-house projects continue to offer Senior Management with an effective way to control and steer the IT portfolio. A similar approach for the projects that are not developed in house (i.e., projects outsourced to another Commission entity – mostly JRC or DIGIT, or to the market) is in roll out and calibrated based on feedback from relevant policy units.

## IT Security and Business Continuity

DG MOVE continued the implementation of the designed specific actions in order to monitor, review and update its security plans following a risk-based approach. The priority systems were assessed, and the identification and evaluation of IT security risks has been concluded for each of them.

With the aim of enhancing in depth the security of the software developed, DG MOVE requested Vulnerability Assessments for five of its IT systems and initiated a Proof of Concept for the adoption of the Continuous Software Assurance program offered by DIGIT.

The current threat landscape has had a direct impact on IT security and business continuity due to the increased threats of cyber-attacks. Consequently, DG MOVE reviewed its business continuity plan and local procedures to address the most urgent challenges.

The local IT Security Team informed and advised DG MOVE staff on how to identify, prevent and avoid possible attacks through articles related to phishing and handling of sensitive non-classified information, targeted email communication on the cybersecurity threats and a dedicated information session on cybersecurity and information security.

No serious IT security incidents affected DG MOVE IT systems or staff in 2023.

In December 2023, DG MOVE participated in the business continuity corporate exercise performed to test internal communication tools and procedures with the response rate 94%.

## Information Management

The Centre d'Administration des Documents (CAD) continued to monitor the efforts of filing documents, reaching the target of registered documents not filed below 2%. DG MOVE continued to provide training on document management, directing efforts this year towards equipping IT Project Officers with essential skills in document management and units with archival procedures.

Information Management actions continued to reduce the reliance on paper storage and to increase the efficient use of electronic workflows in line with DG MOVE's goal to fully embrace a more efficient paperless work environment. The preservation needs of information systems were assessed.

## Data Protection

In line with the guidance of the Commission's Data Protection Officer (DPO), DG MOVE operational controllers ensured that their records of processing operations are reviewed and up to date including notification of new processing operations. The review of processing operations is done on an annual basis.

DG MOVE's Data Protection Coordinator (DPC) regularly raised awareness on data protection via the network of Data Protection Correspondents in each Directorate and Data Protection Corner. It also provided one information session on privacy statements and records and data protection obligations for operational data controllers.

The DPC regularly assisted the operational controllers on various data protection matters and contributed to DG MOVE projects involving the processing of personal data. Regular contacts were maintained with the Commission's Data Protection Officer and the European Data Protection Supervisor (EDPS).

### 3.3. 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 CO<sub>2</sub> 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.

### 3.4. Examples of economy and efficiency

As regards the implementation of the Connecting Europe Facility 2021-2027 (Transport strand), DG MOVE performed the evaluation of the CEF calls remotely and the majority of the CEF meetings were held through digital means. This provided immediate gains for the Commission and the participants.

In early 2023, DG MOVE pursued its Action Plan to improve budget implementation. This Action Plan included target dates, analyses of deviations compared to the targets, and monthly reporting to the senior Management. It successfully led to high levels of budget implementation, individualisation of all the global commitments and reduced number of global commitments at the end of 2023. DG MOVE has made recourse to a wider use of existing framework contracts in place thus reducing the burden of using heavier procedures.

In 2023, DG MOVE promoted digitalisation and support working groups across the Directorate-General, making extensive use of Microsoft Teams in cross-cutting areas such

as the governance, strategic planning and evaluation of Horizon Europe. The benefits will be mostly non-financial, reducing the stream of emails and improving time to deliver on service requests.

DG MOVE, as lead parent DG reports on the operating (administrative) budget provided to CINEA and ensures coordination of this budget through the CINEA 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.

