

Press release

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A place for rail investment in the next EU budget to help build a competitive Europe

Rail Sector welcomes Commissioner-designate Serafin's strong vision for future budget

In a strong performance at his confirmation hearing before the European Parliament yesterday, Commissioner-designate for Budget, Anti-Fraud and Public Administration Piotr Arkadiusz Serafin described his vision for a new streamlined and policy-oriented EU budget. The Community of European Railway and Infrastructure Companies (CER) welcomes his confident approach and looks forward to working with him on shaping the European Commission proposal for the next Multiannual Financial Framework (MFF) for a resilient and competitive Europe.

Commissioner-designate Serafin was heard by the European Parliament Committee on Budgets, in cooperation with the Committee on Civil Liberties, Justice and Home Affairs and the Committee on Legal Affairs. During the almost three-hour session, Serafin explained how his main task for the coming months will be to support President von der Leyen in designing the Commission proposal for the next MFF, with a new, policy-oriented functioning aimed at promoting investments in conjunction with reforms.

He confirmed the next MFF will be very different from the current one, and that the European experience with the Recovery and Resilience Facility will inspire portions of it. EU funds will be policy based and allocation to projects will go hand in hand with the need to promote and realise positive reforms at national level. National investment plans will be negotiated with Member States' governments, but regional administrations will have to remain strong interlocutors in the process. The link between the respect of the rule of law and the possibility to receive EU funding will also be maintained and defended in the context of the next MFF.

The MFF will be simplified and the process to apply for funds will be streamlined. The budget will also be more flexible than the current one. The MFF will maximise the use of private and public capital, with grants, but also guarantees and loans. A new Competitiveness Fund will support scaling up of companies, R&D, and the transfer of innovation into the real economy.

Asked how the next MFF will find enough resources to finance the digital and green transitions, security and defence investments and the projects to enhance European competitiveness, the Polish Commissioner-designate confirmed that if Member States do not accept to increase the MFF, the European Commission will need to increase its Own Resources. As proposed by the Commission, revenues from the EU's Carbon Border Adjustment Mechanism (CBAM) and Emissions Trading System (ETS) should be used to increase EU Own Resources, together with the possibility of levying taxes on large

multinational companies. The EU budget, said Serafin, will also be used to stimulate, attract and de-risk investments from private and institutional capitals.

Serafin was also asked how to ensure the proper management of long-term investment plans – such as for the TEN-T network - when today investment planning can only go as far as the duration of the EU multiannual budget. He showed full understanding for the value of predictability of resources and readiness to engage in finding suitable solutions.

CER Executive Director Alberto Mazzola said: *“Commissioner Serafin will have the responsibility of putting together one of the most important pieces of legislation of the whole legislature: the new Multiannual Financial Framework. European competitiveness cannot be enhanced without a solid transport system, of which railways must be the backbone. The value of rail connectivity for regional cohesion and for the EU Single Market is fundamental and evident. The European added value of cross-border projects, of the European Rail Traffic Management System, of Digital Automatic Coupling technologies must find in the next MFF the right support. As a rule, we need to make sure that national projects are also funded and interconnected. We look forward to working with Commissioner Serafin to ensure that the potential of rail connectivity and railways’ competitive advantages in terms of safety, sustainability, energy efficiency and security are recognised in the EU budget.”*

Read more on the priorities of European rail at www.cer.be/ontrackforeurope.

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About CER

The Community of European Railway and Infrastructure Companies (CER) brings together around 70 railway undertakings, their national associations as well as infrastructure managers and vehicle leasing companies. The membership is made up of long-established bodies, new entrants and both private and public enterprises, representing 78% of the rail network length, 81% of the rail freight business and about 94% of rail passenger operations in EU, EFTA and EU accession countries. CER represents the interests of its members towards EU policymakers and transport stakeholders, advocating rail as the backbone of a competitive and sustainable transport system in Europe. For more information, visit www.cer.be or follow us on Twitter [@CER_railways](https://twitter.com/CER_railways) or [LinkedIn](https://www.linkedin.com/company/cer).