



# Tackling Transport Poverty through the Social Climate Fund (SCF)

## What is Transport Poverty?

Transport poverty refers to the difficulty or inability to afford or access needed transportation, especially to essential destinations such as work, education or healthcare services.

### 4 Key Dimensions



## What is the Social Climate Fund (SCF)?

**Set up to tackle transport and energy poverty**  
 The European Commission's Social Climate Fund (SCF) Regulation aims to support vulnerable households, small businesses, and transport users with the rising costs of new EU climate policies that charge for pollution from buildings and transport, such as the new Emissions Trading System (ETS-2).

**2026-2032 total budget: €86.7 billion**  
 The SCF will provide funding to EU countries to help those most affected and promote a fair, inclusive green transition.

**SCF budget allocation**  
 Member States can apply for maximum funding in the range of €60 million (Malta) to €15 billion (Poland).

**Who can receive funding from the SCF?**  
 Public or private organisations, as long as the support primarily benefits vulnerable groups.

### What transport activities are eligible?

- Affordable and accessible public transport.
- On-demand sustainable mobility services.
- Shared and active mobility options.

**Tracking transport poverty measures**  
 The SCF Regulation mandates Member States to report on their Social Climate Plan measures.

## How will the SCF work?



## Railway's role in tackling transport poverty

Rail is inherently inclusive, serving rural, low-income, and car-less households



## What can railways offer through the SCF?

- ▶ Reduced rail fares for low-income riders
- ▶ Multimodal hubs linking rail to shared mobility
- ▶ Rail expansion & upgrades in under-served areas
- ▶ Modernised rail vehicles
- ▶ Improved access to rail stations

**CER Recommendation:**  
Dedicate 50% of funds to combat transport poverty, equal with energy poverty.



The Social Climate Fund offers a transformative opportunity to **reduce transport poverty** while advancing **climate neutrality**. By targeting investment towards **sustainable, inclusive mobility**, especially rail transport, and ensuring robust monitoring, Member States can make a tangible difference in people's daily lives.

- 1. Spend wisely:** Channel resources such as the SCF towards the most efficient transport, and phase out spending that is incompatible with climate goals, such as fossil fuel subsidies (€111 billion in 2023).
- 2. Boost available support:** The SCF alone will not be sufficient to address transport poverty and **must be complemented by revenues from the Emissions Trading System (ETS)**.
- 3. Ensure transparent monitoring:** The EU must ensure transparent monitoring of SCF measures and promote door-to-door mobility by implementing the energy efficiency first principle.