RECOVERY AND RESILIENCE FACILITY: TRANSPORT INVESTMENTS ANALYSIS

The hereby report aims at providing a functional recap of selected investment practices and implementation trends of the RRF in the area of sustainable mobility, with a focus on local public transport.

Being the largest European funding instrument ever created, with around €85.5 billion allocated for sustainable mobility measures, RRF's performance-driven and conditionality mechanisms will be high likely at the core of the next Multiannual Financial Framework (MFF) 2028-2034, hence worth analysing in full spectrum.

METHODOLOGICAL NOTE

For the hereby analysis, our main entry point is the **Recovery and Resilience Scoreboard**, set up by the European Commission as "the first and foremost a tool to transparently display available information on the implementation of the RRF to European citizens". The Scoreboard comprises two main types of information. Firstly, **data gathered by the Member States based on common indicators** (e.g. the number of alternative fuels infrastructure). Secondly, **data collected by the European Commission on the RRF implementation in the context of monitoring the implementation of the National Recovery and Resilience Plans (NRRPs)**. The latter category was our main approach used to collect information on sustainable mobility measures, milestones and targets. The measures allocated to the policy area of "sustainable mobility" are classified as primary or secondary, based on the **pillar tagging methodology** of the Scoreboard.

Moreover, the **thematic analysis on "Sustainable mobility"**, published by the European Commission in April 2024, provided some useful basis for understanding the main transport measures in each NRRP. However, it is now more than a year old and consequently has not been updated with the latest modifications submitted to the Commission.

In order to collect the most updated versions of each and every plan, we analysed:

- **The most recent and/or updated "Council Implementing Decision** amending the Implementing Decision of 13 July 2021 on the approval of the assessment of the recovery and resilience plan" for each Member State, as well as **the annex documents** which establish a precise list of all the milestones and targets of each NRRP (find an example of the most recent version of the Belgian plan **HERE** and Figure 1 below)

Figure 1: Extract of the ANNEX to the Proposal for a COUNCIL IMPLEMENTING DECISION on the approval of the assessment of the recovery and resilience plan for Belgium

H.2. Milestones, targets, indicators, and timetable for monitoring and implementation for non-repayable financial support

Seq. Nb.	Related Measure (Reform or Investment)	Milestone / Target	Name	Qualitative indicators (for milestones)	Quantitative indicators (for targets)			Indicative timeline for completion		Description of each milestone and target
					Unit of measure	Baseline	Goal	Quarter	Year	
99	Enhancing public transport in Wallonia (I-3B)	T	Start of major infrastructure works for bus (smart road signals, and light metro (Charleroi)		Projects	0	2	Q3	2023	Extension metro Charleroi – WAL (I-3.07) - Delivery of building and environmental permits Smart road signals – WAL (I-3.08) - Award of contracts for all public works (contract award notification has been published)
100	Enhancing public transport in Wallonia (I-3B)	T	Operationalisation of smart road traffic lights		Number of crossroads with smart road traffic lights in the centralised platform	0	260	Q2	2025	Smart road signals – WAL (I-3.08) - Equipment of 260 crossroads with smart road signals.

- The most updated **Commission Staff Working Documents titled "Updated climate tracking and digital tagging of the Recovery and Resilience Plan of [Member State's name]"** (find an example for Italy **HERE** and Figure 2 below), or **"Analysis of the recovery and resilience plan of [Member State's name]"** (find an example for Croatia **HERE**) which establish a precise list of all the different amounts allocated to each transport measure.

Figure 2: Extract of the COMMISSION STAFF WORKING DOCUMENT – Updated Climate tracking and digital tagging of the Recovery and Resilience Plan of Italy

Measure/Sub-Measure ID	Measure/Sub-Measure Name	Budget (EUR m)	Climate		Digital	
			Int. Field	Coeff. %	Int. Field	Coeff. %
M3C2.I1.1.d	Green ports: renewable energy and energy efficiency interventions at ports clean transport	29.7	074	100%	-	
M3C2.I1.1.e	Green ports: renewable energy and energy efficiency interventions at ports recharging stations	21.6	077	100%	-	

However, it is worth noting that while aligning with the position of the European Parliament outlined in a **document published prior to the BUDG-ECON Committee meeting on 16 June 2025**, **certain aspects of the RRF Scoreboard's transparency did not fully meet our data access requirements.** For instance, it is not possible to determine whether a Member State is requesting the full amount to which it is entitled due to the fact that the current design of the Scoreboard does not allow to assess the extent to which measures are being undertaken under a specific payment request.

Furthermore, the Scoreboard's primary focus is on anticipated prices or unit values rather than on performance. In alignment with the numerous European Court of Auditors' (ECA) recent observations, **the spending efficiency and value for money of the RRF cannot be accurately measured**, which limits our ability to align fulfilled milestones and targets with a precise amount of disbursed funding.

Finally, and particularly with regard to the assessed and approved NRRP revisions, **the Scoreboard does not always accurately depict the state of NRRPs, displaying a mismatch over time in the number of milestones and targets completed by the Member States**. Consequently, in our in-house research efforts, aligning the measures outlined in the various NRRPs with the data presented on the Scoreboard website was quite straightforward only for a handful of Member States. However, given the unclear classification and despite a number of formal requests for clarification that we sent to European Commission Secretariat General's SG Reform Unit, we were unable to exactly match the measures related to sustainable mobility present in the respective RRPs with the amount of milestones, targets and measures indicated on the Scoreboard for a total of seven Member States (Czech Republic, Greece, Italy, Netherlands, Poland, Portugal and Spain).

Despite these issues of a methodological order, our in-house analysis of the twenty-seven NRRPs provides an in-depth research take of the RRF's impact on the transport sector and the way it supports local public transport. **The first part of our report provides a list of examples and best practices** regarding the financing of local public transport measures by the RRF. **The second part analyses the current key trends in the implementation of milestones and targets**, as well as the share of local public transport measures in the RRF financing for each Member State, and that in order to establish a benchmark at the European level.

SELECTED PUBLIC TRANSPORT INVESTMENTS

Among the grants and loans available for the whole sustainable transport sector, **significant investments are being made in urban transport**. These investments enhance the connection, efficiency, and accessibility of public transport services, while also contributing to the decarbonisation of the sector. **The measures and investments are intended to cover many different areas**, including the electrification of bus fleets, the creation or upgrade of cycling infrastructure, the renovation or extension of metro and tram networks, and waterborne services. The following examples should help to illustrate some of the best practices selected:

- Tallinn Old Port tram line (Estonia): Tallinn has invested in enhanced mobility options for both residents and visitors, with the **introduction of a new 2.5-kilometre tramline**. This connects Tallinn Airport, the Rail Baltic hub, the city centre, the Old Port, and the regional rail station. The construction of the Vanasadama tram line cost approximately €46 million, with €36.5 million being provided by the RRF. It is estimated that the tram line carried approximately 400,000 passengers in January 2025, making it the most popular in Tallinn at present. This has had a significant impact on traffic levels in the city centre since then.

- Cork Commuter Rail (Ireland): The Cork Area Commuter Rail (CACR) programme is a major component of the Cork Metropolitan Area Transport Strategy 2040. **The region's heavy rail network is being improved by this significant investment** which will involve the addition of new stations and increase train capacity and frequency. Cork's commuter train services are benefitting from €164 million in grant financing, which aims to improve the system's efficiency. In the Cork metropolitan region, electrifying the trains is crucial to lowering greenhouse gas emissions while simultaneously decreasing the usage of cars and boosting the adoption of environmentally friendly public transport.

- Bologna Tram "Linea Rossa" (Italy): Italy's Recovery and Resilience Plan aims to increase the number of passengers using rapid mass transit systems. The plan includes the construction of new lines and the extension of existing ones by at least 231 kilometres. It also includes the upgrade of public transport infrastructure and the purchase of zero-emission rolling stock for local passenger mobility systems. This subsequent investment is funded by Italy's RRP in the amount of €3.4 billion.

As a section of this investment, **the "Tram Linea Rossa" project was created as part of Bologna's Urban Plan for Sustainable Mobility**. Its objective is to accommodate 110,000 passengers per working day, which accounts for 21% of all urban transport movements, and to divert up to 15,000 passengers from private vehicles. The tram route extends for 16.5 kilometres and features 30 stops, with trams operating at a frequency of every 4 to 5 minutes. The project has a total value of €511 million, of which €399 million is covered by the RRF.

- 'Cycling infrastructure' of the Flemish Region (Belgium): With a budget of €211 million, the RRF is supporting **the construction of 40 km of new bike lanes across Flanders, as well as the refurbishment of another 365 km**. These investments are contributing to the modal shift and increasing the share of sustainable transport modes (including cycling). This forms part of a comprehensive Flemish policy to encourage the shift towards public transport. The policy includes specific measures such as the introduction of Hoppin points to promote combined mobility and the availability of various shared bicycle systems.

- "Emission-Free Buses and Infrastructure" (EBIN) funding program (Austria): The Austrian government has set itself **the ambitious target of substantially increasing the number of zero-emission buses in local public transport**. The acquisition cost of emission-free buses is higher than that of conventional vehicles, and the necessary infrastructure is inadequate across many places. With €256 million provided by the RRF, **at least 579 buses are to be switched to zero-emission technologies**, and the associated charging and refuelling infrastructure is expected to be established. The funding programme therefore makes a significant contribution to the Austrian climate transition by lowering emissions, maintaining air quality, and reducing noise.

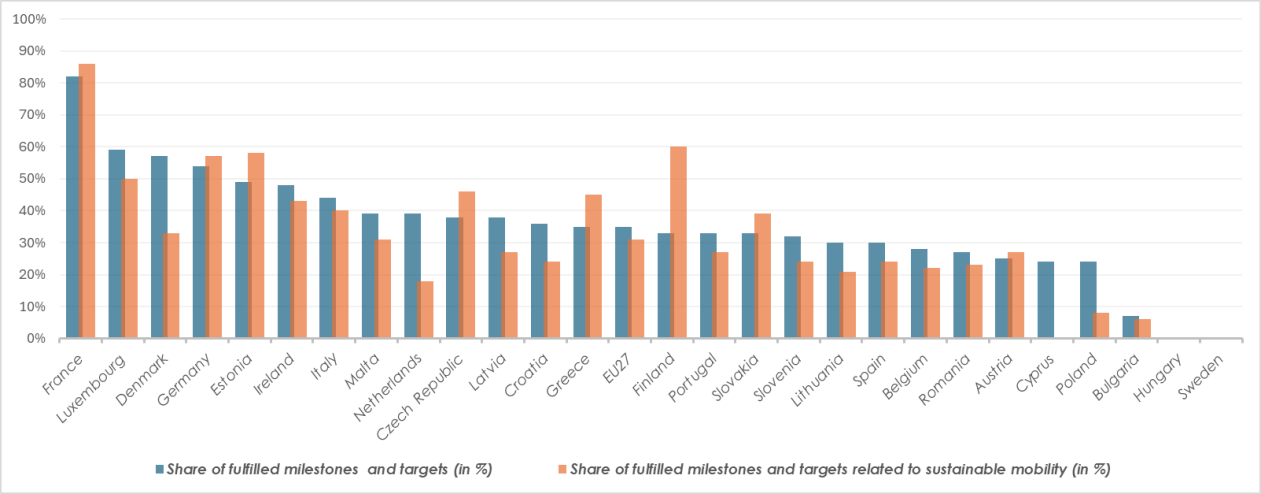
IMPLEMENTATION OF TRANSPORT MEASURES AND INVESTMENTS

The timely implementation of measures and investments, including the transport ones, is crucial to maximise the benefits of the RRF during the 2021-2026 period. However, as highlighted by the ECA, **a consequent backloading of investments**, e.g. the important concentration of milestones and targets in the second part of the RRF implementation period, and mixed with some delays, **raises the potential risk of slower or uncomplete absorption**.

The Figure 3 below illustrates the current implementation stages of RRF milestones and targets as of July. **The completion of measures inscribed in the NRRPs is unevenly distributed across the EU**: some countries are on track to complete the implementation of their national Plans on time – France (82%), Denmark (57%), Germany (54%), Estonia (49%) or Ireland (48%), for instance. However, other countries have fallen behind schedule, particularly major beneficiaries such as Hungary (0%), Bulgaria (7%) and Romania (27%). The Commission has issued a request for these countries to urgently accelerate the implementation of their national Plans.

With regard to transport measures, trends are similar: **the implementation levels are not satisfactory for a significant proportion of Member States**. It is therefore recommended that these Member States accelerate the implementation of their Plans' measures to ensure they reach the full potential of the RRF. Specifically, **transport measures often represent long-term investments and are therefore less flexible than other types of measures**. For this reason, Member States should not wait until the very last months to focus on these specific measures.

Figure 3: Current stages of implementation of the RRF (in %)



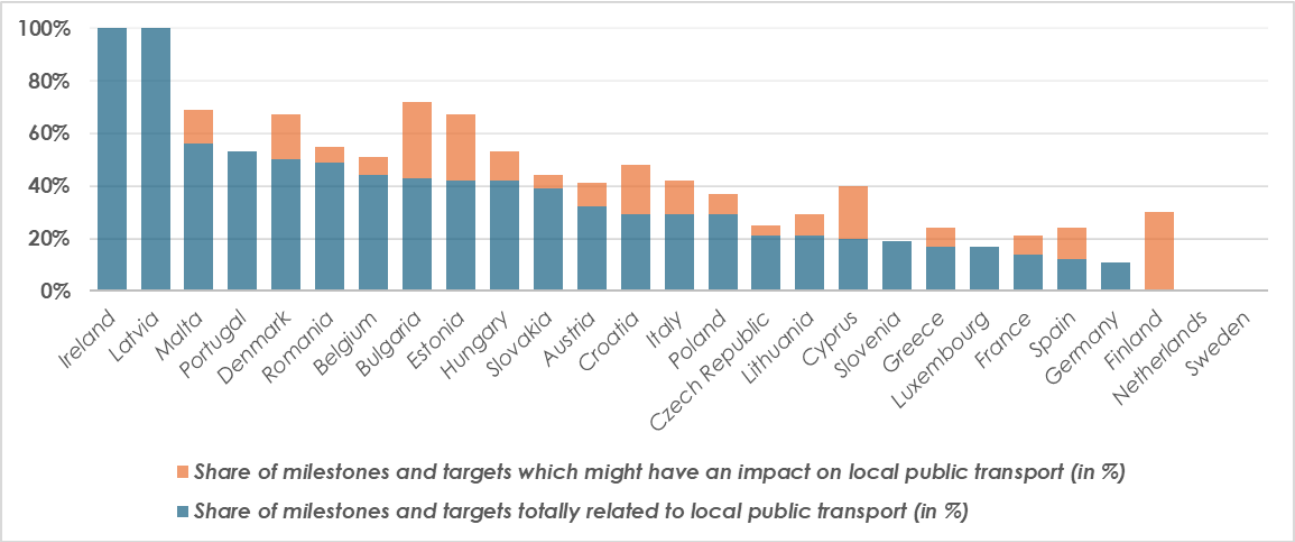
Investments in railway infrastructure represent the largest category of spending on sustainable mobility in the NRRPs, with a budget of around **€40 billion**. Another part of the RRF investment is allocated to the promotion of **electric and low-emission mobility** by supporting the development of electric vehicles and electric charging stations. Finally, **a significant proportion of RRF investments is allocated to "urban transport mobility"**.

Member States incorporated local public transport and urban mobility in a variety of ways. Some Member States have decided to allocate their entire sustainable mobility budget to urban mobility, for example Ireland (all 14 milestones and targets) and Latvia (all 11 milestones and targets). Other countries allocate a significant proportion of their sustainable mobility initiatives to urban mobility, with Portugal (53%), Romania (49%), Belgium (43%) and Estonia (42%) being notable examples. Finally, a number of Member States have devised national Plans with a view to leveraging alternative investment opportunities. France (14%) and Germany (11%) are notable examples in this regard, having allocated a substantial proportion of their sustainable mobility budget to railway infrastructure.

In our analysis of the milestones and targets related to sustainable mobility in the NRRPs, in addition to the measures directly targeting urban mobility and local public transport, we have decided to **take into account the milestones and targets "which might have an impact on urban mobility and local public transport"**. These pertain to wide-ranging measures encompassing several aspects pertinent to urban mobility, among other considerations. For example, the implementation of national mobility plans, including the creation of dedicated bus and cycling lanes, among other measures, or large deliveries of hydrogen-powered vehicles, including public transport buses, are included in this category in Figure 4 below.

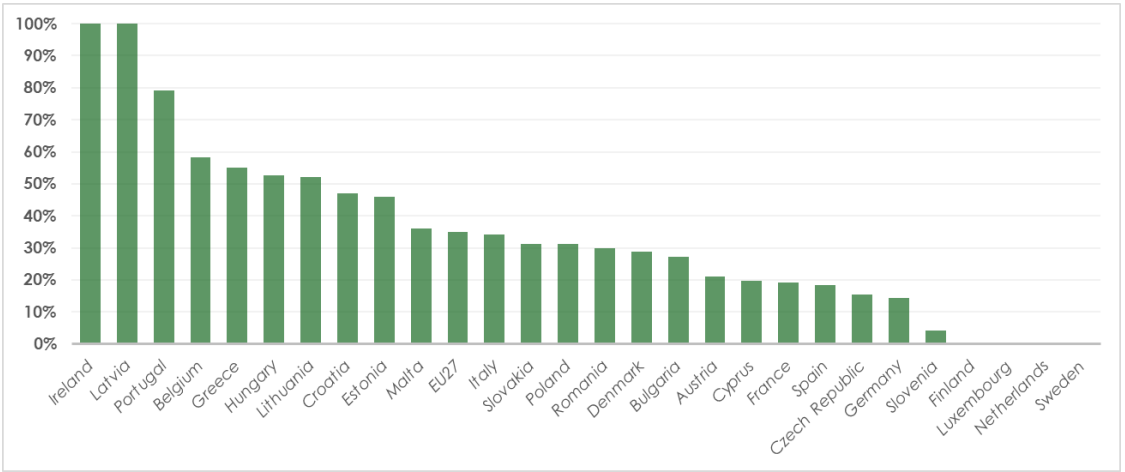
In contrast, railway infrastructure investments primarily focus on the TEN-T core or comprehensive networks. Therefore, **railway-related investments are not considered for funding urban public transport** unless it is specifically stated in the NRRPs that they concern suburban rail, commuter rail or urban nodes.

Figure 4: Share of milestones and targets related to local public transport in the national plans (in %)



Benchmarking the proportion of urban mobility measures within the overall range of sustainable mobility measures is an interesting area for comparison. A similar analysis should be undertaken with respect to the proportion of funding allocated to local public transport in the context of sustainable mobility funding. Indeed, the RRF's investment and reform agenda includes a range of initiatives, some of which may not be funded by the RRF. The Commission Staff Working Documents have provided us with the necessary information to determine **the amount of funding allocated to urban mobility measures by each Member State** as listed by Figure 5.

Figure 5: Share of the funding dedicated to urban mobility in the sustainable mobility spending (in %)



As would be expected, **Ireland and Latvia's funding is focused exclusively on urban mobility projects**. Latvia is a leader in sustainable mobility projects related to urban mobility, with 100% of its projects focused on this area. This is partly due to the delivery of electric buses and the development of a unified multimodal public transport route network in the metropolitan area of Riga. The same applies to Ireland, where the focus is on the electrification of the Cork commuter rail and the development of a battery-train charging infrastructure as described in the previous section.

Despite only achieving 50% of the urban mobility milestones and targets, **Portugal is still a frontrunner in the field. The country has allocated almost 80% of the funding to urban mobility investments**, including the expansion of metro networks in Porto and Lisbon, the introduction of bus rapid transit lines in Braga, the construction of the Nazaré Funicular, and the procurement of zero-emission (hydrogen and electric) public transport buses.

A number of other Member States have opted to allocate approximately half of the designated sustainable mobility funding to investments in urban mobility and local public transport. Examples of this include Belgium (58%), Hungary (53%), Lithuania (52%), Croatia (47%) and Estonia (46%). Belgium finances the deployment of green buses in Flanders, Brussels and Wallonia, the extension of the metro network of Charleroi, and the construction of new public space for pedestrians, cyclists and public transport in urban areas. Hungary is providing funding for several key projects, including the deployment of hydrogen buses, the development of tram and trolleybus systems in Budapest, and the construction of charging infrastructure for public transport electric buses. Lithuania is a proponent of electric buses and the construction of combined bicycle and pedestrian paths. Croatia has allocated funds for the renovation of suburban railway lines, the implementation of a new ticketing system, the modernisation of two seaports open to public traffic and the construction of a new cable ferry 'Križnica' in Pitomača.

With a less significant share of funding, there are Member States such as Austria (21%), France (19%), Spain (18%) and the Czech Republic (16%). The Austrian government decided to fund the introduction of green buses and the construction of the necessary charging infrastructure. France is providing financial support for the creation of reserved lanes for public transport. Spain participates in the funding of the conversion of public transport fleets, the implementation and management of low emissions zones (LEZs), the digitalisation of public transport, and measures to incentivise and prioritise collective transport and active mobility. The Czech Republic is providing funding for the implementation of a dynamic charging road for battery-powered trolleybuses, as well as for the delivery of battery-powered trolleybuses and low-floor trams for the city of Prague.

At the bottom of the list are Slovenia (4%), Finland, Luxembourg, the Netherlands and Sweden (all 0%), with urban mobility milestones and targets only representing reforms or very small investments.

On the European scale, **Members States have allocated almost €25 billion to urban mobility measures**, which represents **more than 29% of the total amount dedicated to sustainable mobility**. These substantial investments, along with the accompanying reforms, have the potential to enhance modal shift and further advance the development of urban mobility infrastructures and public transport networks throughout the EU.

CONCLUSIONS

The Recovery and Resilience Facility has become a **key element in facilitating the transition to sustainable transport across Europe**. As the primary financial instrument powering the European Union's economic recovery from the pandemic, the RRF still plays a pivotal role in shaping the future of (urban) mobility. Through the 27 National Recovery and Resilience Plans, **the Member States have successfully allocated a substantial €85.4 billion to sustainable mobility measures**, demonstrating a steadfast commitment to green and resilient infrastructure.

These investments encompass a wide range of initiatives. As the financing phase gives way to the final stage of implementation across 2025 and 2026, the focus must now shift to accelerating the rollout of these measures. Delivering on the RRF's objectives is dependent on timely execution, ensuring that the

benefits of the RRF are felt across all Member States and that it effectively supports the twin green and digital transitions. It is vital that EU institutions, national governments and local stakeholders continue to cooperate in order to transform these ambitious plans into concrete, long-lasting improvements to the European transport landscape.

Finally, **the unique experience of the RRF provides valuable lessons for shaping the next Multiannual Financial Framework 2028–2034**. With over €85.5 billion channeled into sustainable mobility, the RRF demonstrated the transformative potential of large-scale, performance-driven EU instruments in accelerating green and digital transitions, particularly in local public transport. However, challenges such as uneven implementation across Member States, delays linked to the backloading of milestones, and limited transparency in the Scoreboard data highlight **the need for a more robust governance framework in future EU funding**. Ensuring clearer links between disbursed funds and achieved results, alongside stronger monitoring of spending efficiency, will be essential to maximise impact. For the next MFF, integrating the RRF's conditionality and performance mechanisms while addressing shortcomings in transparency, local level engagement, and absorption capacity could help design a more resilient, equitable, and outcome-oriented EU budget capable of delivering lasting improvements in sustainable urban mobility and cohesion across all Member States.