



Multiannual Financial Framework 2028-2034

UITP POLICY STATEMENT ON THE MFF PROPOSAL FROM 16 JULY 2025

Introduction

The International Association of Public Transport (UITP), representing more than 500 urban, suburban and regional public transport operators and authorities across all EU Member States, supports the European Commission's commitment to simplify and make the next Multiannual Financial Framework (MFF) 2028-2034 more agile. With a total envelope of nearly €1.8 trillion, a strengthened climate earmark of 35%, and reinforced transport allocations, the proposal reflects the EU's ambition to remain a global leader in climate action, competitiveness, and social cohesion.

UITP particularly acknowledges two elements of the July 16 proposal:

-  The €450 billion earmark for cohesion and rural development, which underscores the importance of territorial convergence and inclusion across all EU regions.
-  The continued existence and doubling of the stand-alone Connecting Europe Facility (CEF III) for transport to €51.5 billion, strengthening cross-border and TEN-T priorities.

However, UITP remains deeply concerned by the lack of explicit recognition of urban mobility and public transport in the Commission's draft. As Europe becomes increasingly urbanised, with 84% of its population expected to live in cities by 2050, and as public transport remains the backbone of climate-neutral, resilient, and socially equitable mobility, the absence of a clear EU-level commitment risks undermining the very goals the MFF seeks to achieve.

We therefore respectfully recommend to the European Parliament, the Council, and the Commission to establish a dedicated “urban and local mobility envelope” within the National and Regional Partnership (NRP) Plans, the European Competitiveness Fund (ECF) and CEF III, to safeguard investment in clean, affordable, and resilient local public transport systems across all EU territories.



Why urban and local public transport must be a priority

☑ Decarbonisation and green transition

Public transport is the most effective tool to achieve the EU's Fit-for-55 and climate neutrality goals. **Each €1 invested in public transport generates up to €4 in wider economic, social and environmental benefits.** Without stronger EU co-financing, Member States and cities will not meet obligations under the TEN-T Regulation, the Alternative Fuels Infrastructure Regulation, or CO₂ standards for vehicles.

☑ Social equity and cohesion

Public transport is a fundamental enabler of access to jobs, education, and essential services. It combats **transport poverty**, reduces territorial divides, and supports inclusion of vulnerable groups. Integrating the Social Climate Fund (SCF) into the NRP Plans offers an opportunity to channel targeted funding into affordable public transport services but only if ringfenced and if Member States decide so.

☑ Defence readiness and resilience

Public transport infrastructure serves a **dual role**: daily civilian mobility and emergency resilience. The ten-fold increase in military mobility funding under CEF III (€17.6 billion) must not overshadow the urgent need to secure civilian networks against cyberattacks, blackouts, health crises, or climate disasters.

☑ Competitiveness and industrial policy

Public transport sustains a strong and sovereign European industrial base, from bus manufacturing to digital ticketing, traffic management, and AI-driven mobility companies and solutions. **It employs 2 million people in the EU and contributes €150 billion annually to GDP.** The upcoming ECF and the Framework Programme 10 (FP10) should explicitly include the public transport value chain as a strategic sector.

Key concerns with the current proposal

While the proposed MFF strengthens cohesion and TEN-T investment, the following critical gaps remain:

😬 **No explicit urban/public transport dimension in CEF III:** Despite the doubling of its budget, CEF III remains mainly focused on long-distance cross-border links and military mobility. Urban nodes, multimodal hubs, e-bus depots, and metro or tram projects risk being sidelined unless directly linked to TEN-T.

😬 **Looser EU control under NRP Plans:** The merger of cohesion and RRF-type funding into the new mega-Fund gives greater discretion to national governments, creating uncertainty for cities and transport authorities. Without binding requirements, urban mobility risks being deprioritised.

🧐 **Competing priorities in the mega-Fund:** The consolidation of cohesion, social, agricultural, and fisheries funds risks diluting much-needed transport priorities. Public transport may lose ground without a minimum earmark.

🧐 **Military mobility bias:** The prioritisation of defence-related transport under CEF III could crowd out urgently needed civilian investments.

UITP policy recommendations

To ensure the MFF 2028-2034 package delivers on EU decarbonisation, resilience, and social inclusion goals, UITP calls for the following:

1. Establish a designated “urban and local mobility envelope”

- Introduce a dedicated budget line within **NRP Plans** and **CEF III** for public transport projects.
- Ensure that metros, trams, e-buses, depots, and infrastructures such as multimodal hubs and stations are explicitly eligible under NRP Plans and ECF funding.

2. Require urban and regional mobility chapters in NRP Plans

- Make it mandatory for Member States to include **urban and regional mobility chapters** in their NRP Plans.
- Guarantee the direct involvement of cities, regions, and public transport authorities in designing and managing NRP investments.

3. Ringfence Cohesion funding for public transport

- Introduce a minimum percentage of ERDF and Cohesion Fund allocations within NRP Plans (urban and regional chapters) for public transport and sustainable urban mobility.
- Ensure rural, peripheral, and local cross-border regions also benefit through multimodal connectivity to national and EU networks.

4. Expand CEF III eligibility beyond TEN-T mainlines

- Explicitly include **urban nodes, multimodal mobility hubs, as well as co-funding for bus fleet electrification** in the CEF III Regulation.
- Allow first/last mile and metropolitan projects to qualify for funding when linked to TEN-T networks.

5. Safeguard social equity

- Earmark a significant share of the **Social Climate Fund** for accessible public transport services, and for long-term infrastructure and digitalisation investments.

6. Ensure accessibility of Catalyst Europe loans

- Guarantee that **Catalyst Europe** and InvestEU-blended loans are accessible to **local and regional authorities**, not only national governments.
- Simplify procedures for cities and transport operators to access blended EU grant-loan packages.

7. Support innovation and competitiveness

- Include public transport as broadly eligible under the ECF, specifically in the policy window 'clean transition and decarbonisation'.
- Finance innovation in urban public transport, notably by maintaining public transport as a core component of the PPP on autonomous mobility, ensuring a strong role for urban rail in the future Joint Undertaking on rail.

Conclusion

The next MFF must be a **budget for citizens' daily lives**. Without direct, predictable, and sizeable EU investment in public transport, Europe will not achieve its climate, competitiveness, or social equity goals. UITP therefore urges EU decision-makers to reinforce the proposal by:

- Creating a **dedicated urban and regional mobility envelope** within NRP Plans, and the European Competitiveness Fund,
- Ringfencing cohesion resources for public transport, and
- Ensuring that local mobility authorities have direct access to EU instruments.

The EU's ambition must now be translated into action. Public transport has never been a local issue – it is a **strategic European investment** in climate neutrality, territorial cohesion, and resilience.

Let's make local public transport a true European priority and a symbol of a modern Europe.

This is an official Publication of UITP, the International Association of Public Transport. UITP represents the interests of key players in the public transport sector. Its membership includes transport authorities, operators, both private and public, in all modes of collective passenger transport, and the industry. UITP addresses the economic, technical, organisation and management aspects of passenger transport, as well as the development of policy for mobility and public transport worldwide. This Publication was prepared by UITP EUROPE in October 2025.

