

2020
CiViTAS
Cleaner and better transport in cities

SATELLITE



CIVITAS Advisory Group

The Future of Urban Mobility Policy

Policy note: public transport enabling the European Green Deal

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1 Executive summary

With the support of the European Green Deal, the sustainable local passenger sector can achieve net-zero GHG emissions at the latest by 2050 in a cost-efficient manner. This can take place by providing people with attractive clean transport options such as public transport, walking and cycling. The decarbonisation of local daily mobility will also have strong overall benefits for clean air, reduced noise, accident-free traffic, improved quality of life and major economic gains.

The “Avoid – Shift – Improve” (ASI) strategy aims at emission reduction and congestion relief. The Advisory Group identified a package of measures to help decarbonise the public transport sector in line with the EU’s net neutrality targets by 2030 and 2050. This European public transport decarbonisation actions is based on the ASI approach and is targeted at the EU, national, local level as well as the private sector and citizens.

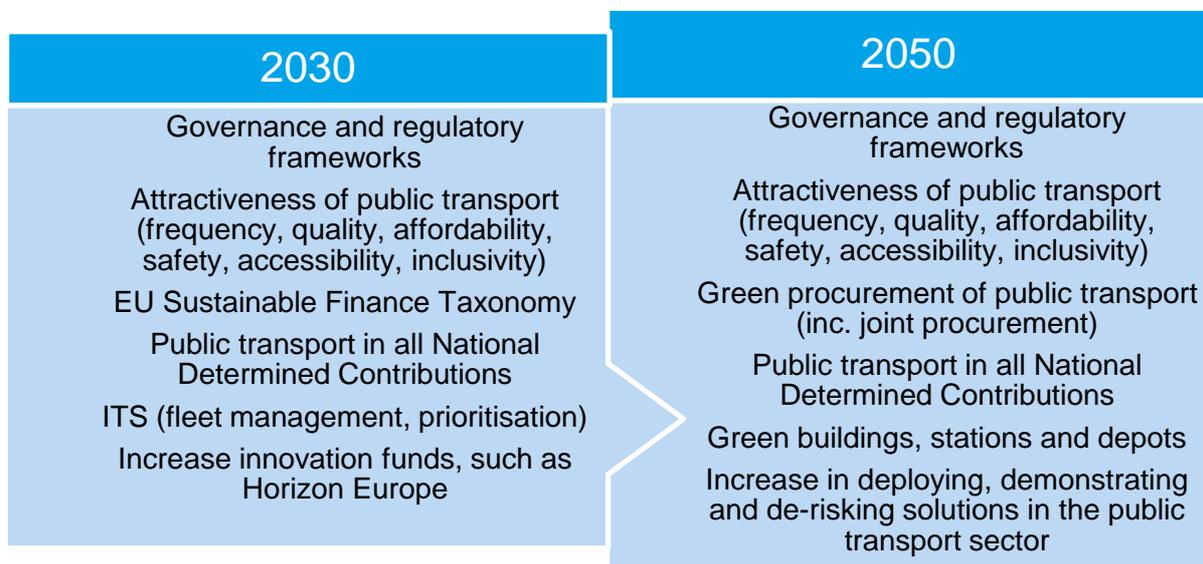


Figure 1: European public transport decarbonisation measures

In order for the local passenger transport sector to support the European Green Deal, restoring trust following the COVID-19 pandemic is equally essential. This can take place by a combination of measures to maintain cleaning and disinfection standards, ensuring safety measures taken are highly visible to commuters, communicating strategically about safety measures and ensuring a strong push for the return toward sustainable transport at all political levels.

Careful policy actions are now required to mainstream transport financing into a broader recovery package. These actions include:

- European Structural and Investment Funds (CF & ERDF): further strengthened to support the survival (short-term) and development (mid- to long-term) of sustainable urban mobility assets, infrastructure and services;

- Multiannual Financial Framework 2014-2020: Parts of still available European Structural and Investment Funds (2014-2020) channelled into a Local Mobility Emergency Fund;
- Multiannual Financial Framework 2021-27: local public transport investments reach min. €20bn (up from the current €12.2bn) – incl. Urban Mobility Window;
- Multiannual Financial Framework 2021-2027: CEF2 transport envelope for Urban Nodes increased from the current 1% to min. 10%;
- Green Deal: Just Transition Scheme (InvestEU) and Public Sector Loan Facility (EIB) prioritize local sustainable transport investments – incl. Urban Mobility Window;
- Green Deal: Green Taxonomy framework favours public transport ecosystem as a key investment for climate change mitigation/adoption.

Sustainable local passenger transport is and will be a key sector for both the economic recovery and the achievement of the Green Deal objectives. The European Green Deal remains Europe's most important sustainable growth strategy. The lesson from the COVID-19 crisis is that early action is essential – this lesson also applies to the fight against climate change and other sustainability risks. As the economy recovers, it should be steered towards growth compatible with the European Green Deal. Given the economic consequences that the sustainable public and shared transport sector is facing due to the COVID-19 pandemic, the EU must prioritise political and financial support for sustainable urban modes of transport.

Short-term solutions should be resisted in response to the pandemic that encourage people to leap back into their cars. The use of public funds in the recovery will be immense, and now is the right time to make the right political decisions. Without clear conditions for using these funds in favour of a modal shift, we risk locking the EU in an unsustainable model of mobility for the next decades to come.

2 Scope

This policy note aims at describing how sustainable urban transport – including public transport, walking, cycling as well as new and emerging forms of passenger mobility, such as ridepooling, ridesharing, vehicle renting, micromobility etc, can enable the European Green Deal to successfully reach its climate objectives. Moreover, this note aims at identifying the ways in which sustainable urban transport can be further improved and advanced so that the urban mobility sector can ultimately become drastically less polluting, especially in cities and metropolitan areas. Additionally, the policy note considers in detail how the backbone of future urban mobility policies – high-capacity public transport – should complement, interact and integrate other sustainable modes such as walking, cycling and new mobility services. Finally, this policy note also looks at the COVID-19 pandemic and its profound impacts on passenger travel patterns across cities in Europe.

3 Introduction

3.1 About the CIVITAS Advisory Group

The CIVITAS Advisory Group serves as the link between CIVITAS 2020 activities and European-level urban mobility policies. Meetings and interactions within the Advisory Working Group were led and organised by UITP. The group conducted three online meetings on 23 March, 27 April and 26 May 2020.

3.2 Members

The group consists of a mix of selected external experts, city authorities, public transport authorities, public transport operators, interest groups, city networks and representatives from CIVITAS 2020 projects. The members of the Advisory Group do not necessarily have long-term connections to the CIVITAS Initiative, but are selected based on their expertise to provide a balanced and comprehensive perspective on the group's main topic.

Table 1: CIVITAS Advisory Group “the Future of Urban Mobility Policy” Members

Organisation	City	Affiliation
UITP	Brussels	CIVITAS SATELLITE
EUROCITIES	Brussels	CIVITAS SATELLITE
Polis	Brussels	CIVITAS SATELLITE
Rupprecht Consult	Cologne	CIVITAS SATELLITE
Transport and Mobility Leuven	Leuven	CIVITAS SATELLITE
Mobiel 21	Leuven	CIVITAS ELEVATE
ICLEI – Local Governments for Sustainability	Freiburg	CIVITAS SUMP's-Up
European Commission - DG MOVE	Brussels	
City of Antwerp	Antwerp	CIVITAS PORTIS
City of Ljubljana	Ljubljana	CIVITAS Political Advisory Committee
ZTP - Krakow Public Transport Authority	Krakow	
STIB - Société des transports intercommunaux de Bruxelles	Brussels	
PMDP – Plzenske Mestske Dopravni Podniky	Plzen	
EMT - Empresa Municipal de Transportes de Madrid	Madrid	CIVITAS ECCENTRIC

4 Problem definition

4.1 ECA's audit of current urban mobility policies

On 3 March 2020, the European Court of Auditors (ECA) published a special report on Sustainable Urban Mobility in the EU¹. The report examines whether EU legislative and financing support have helped to make mobility in urban areas more sustainable, and whether cities have made progress since the European Commission's 2013 Urban Mobility Package. The report provides an analysis of public transport, pollution and congestion developments in eight cities in four Member States: Hamburg and Leipzig in Germany, Naples and Palermo in Italy, Łódź and Warsaw in Poland, and Barcelona and Madrid in Spain.

In the report, the auditors recognise the importance of an efficient public transport network to encourage citizens to shift from private cars to cleaner transport modes such as public transport, walking and cycling. Moreover, the report highlights the challenges faced by cities in making effective and sustainable use of EU support, including funds and financing, to cover operational and maintenance costs and to develop coherent mobility policies. Although cities have put in place a range of initiatives to expand the quality and quantity of public transport, no significant reduction of private car use was recorded by the ECA audit.

Based on a detailed analysis of the situation in the eight cities, but also on data from other European urban areas, the key takeaways from the ECA report included the following points:

- There is no evidence of a clear trend towards the use of more sustainable modes of transport;
- Air quality has improved in urban nodes, but pollution still exceeds safe levels in many cities;
- The coverage and accessibility of public transport within cities has been improving;
- More EU funds were allocated to sustainable urban mobility in 2014-2020;
- Many of the positive mobility policy examples found required considerable political leadership and effective citizen communication to be implemented;
- Some examined EU-funded projects were not fully effective and some were not based on sound strategies, either SUMP or other sector strategies. Moreover, urban mobility policies at local levels were not always strategically aligned with the aim of more sustainable urban mobility;
- Often, cities adopted relevant mobility strategies but there were weaknesses in their plans to implement them, including unclear indications of the priorities, costs and sources of funding;
- There is no common set of indicators relating to urban mobility at the European level, and not all Member States systematically collect relevant data.

Furthermore, the document issued a number of recommendations to the European Commission, including:

- Making the existence of Sustainable Urban Mobility Plans (SUMP) or the commitment to adopt a SUMP, a condition for cities to receive ERDF and Cohesion funding;

¹ [European Court of Auditors, Special Report: Sustainable Urban Mobility in the EU: No substantial improvement is possible without Member States' commitment, 2020](#)

- Publishing data on urban mobility: the Commission should propose legislation requiring Member States to collect and submit relevant data on urban mobility in all EU urban nodes of the TEN-T network, based on these data Member States should report on progress made.

4.2 Modal shift challenge and consequences

Nowadays, most modern cities suffer from congestion and bad air quality. The key focus behind the modal shift towards public transport, walking and cycling is reducing GHG emissions/energy consumption and local pollutant emissions (bad air quality), as well as the general road congestion. Yet, these strategic challenges have remained predominant for years. One of the most notable solutions to these problems is the application of the “Avoid – Shift – Improve” (ASI) strategy:

- 1) Avoid unnecessary traffic/trips, particularly by private motorized vehicles;
- 2) Shift to clean and sustainable modes of passenger transport (public transport, active modes such as cycling and walking, new modes of mobility such as ridepooling, ridesharing, vehicle renting, etc);
- 3) Improve the capacity, (energy) efficiency, and service quality of all sustainable transport systems wherever possible.

Therefore, the critical objectives of modal shift are twofold.

Firstly, it aims at emission reduction, where passengers move towards environmentally friendly modes of transport, such as walking, cycling or public transport or new modes of transport (renting, pooling, sharing) to shift away from private car ownership. It is estimated that on average, local collective transport modes are four times more carbon efficient than private vehicles. This number is even higher during peak hours when transport demand and emissions are at their highest. Secondly, modal shift aims at congestion relief.

This trend will become particularly important (see **Error! Reference source not found.**) as global urban passenger miles are expected to almost double by 2050². Without further action, current policies would lead to a global warming of 2.8 – 3.2°C by 2100 (see Figure 3).

There are however new challenges on the mobility horizon that are directly or indirectly intertwined with the ASI approach, such as the regulation of new mobility services by authorities, the challenge to maintain a strong and accessible public transport system which complements solutions offered by ride-hailing and micro-mobility, or the preparations for development of the current mobility system to integrate new technologies, including autonomous vehicles.

² OECD, ITF Transport Outlook, 2017

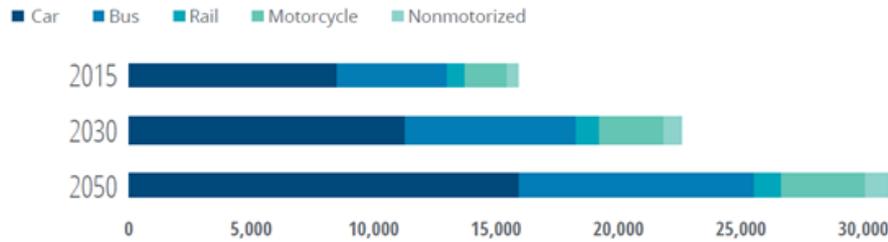


Figure 2: Urban passenger-miles by mode (billions)

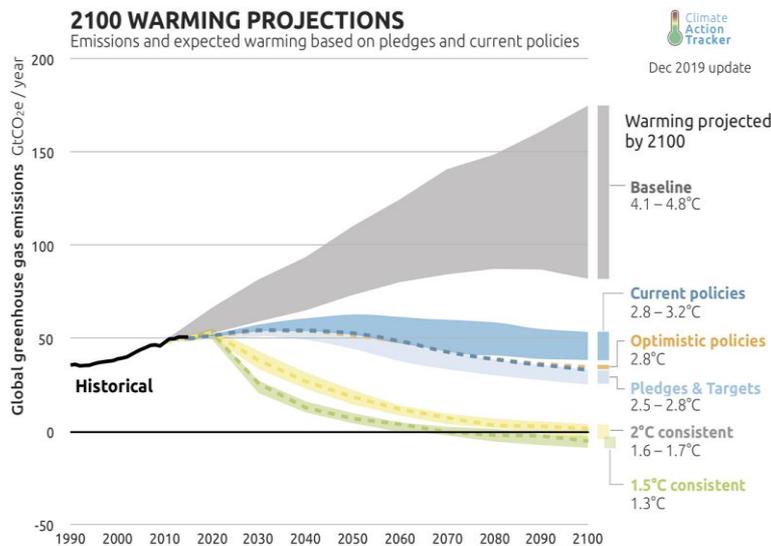


Figure 3: 2100 Warming projections

4.3 COVID-19 impact on local passenger transport

The local passenger transport sector has been impacted in an unprecedented way by the COVID-19 pandemic. It was fighting to maintain the continuity of services during the lockdown period and with the current progressive resumption of services, it is facing multiple complex challenges in order to play its part in post-lockdown recovery strategies. Local passenger mobility services will have to adapt to both the phasing out of travel restrictions and the phasing in of various measures for long-term health protection. The entire collective local mobility ecosystem will have to fight to survive this crisis, to rebuild trust in public transport in the post-COVID-19 period and come out stronger from this crisis.

Based data collected by UITP, for example from Italy, Spain, France or Germany, we can be sure that the local passenger transport sector’s ecosystem will be heavily affected in multiple ways. This includes local public transport authorities, public transport operators, private operators, SMEs, subcontractors, new mobility providers and the supply industry³.

³ UITP Report: Covid-19: the economic and financial impact to the public transport sector, 2021

The main problem is a dramatic decrease in farebox revenues. In mid-March, passenger numbers dropped by up to 90 percent within weeks⁴. Nevertheless, most public transport companies – whether public or private – maintained a high level of service (between 70 and 100 percent of the normal offer), not to mention additional expenses due to cleaning/disinfecting activities, the need to provide masks to staff, and to implement safe distancing measures (which also resulted in the need for more vehicles to transport all passengers). Savings through reduction of staff costs were mostly not possible. It is evident that receiving not more than 10 percent of ticket revenues while maintaining up to 100 percent of the service is not financially sustainable.

At a national level, Italy reported that the loss of fare revenues was estimated at over 200m EUR per month (at the national average level)⁵, whereas Germany reported a nation-wide loss of 3.45bn EUR (including short distance rail) and Spain estimated at 1.725bn EUR⁶.

Moreover, it is expected that reduced passenger numbers and the loss in farebox revenues will last for more than a year – possibly 2 years or longer – due to the gradual opening of the economy, schools and social life, the “new normality” involving more digital interaction and safe distancing. Passenger numbers are expected to remain below pre-COVID-19 levels for a while, not least because users’ trust in public transport needs to be re-gained.

As the local sustainable mobility sector has been responding to these short-term emergencies, it must now move beyond ensuring the survival of sustainable urban mobility and seize a unique opportunity to start over and shape the future of European cities. This is the chance to build more resilient cities which respond to citizens’ needs. Public transport, active and new modes of passenger travel are all fundamental to building resilient cities, combating climate change, preventing the ‘bounce back’ of air pollution, encouraging healthy, active lifestyles, and boosting local economies leaving no one - and no place - behind.

All these challenges will not be met without a clear political and financial priority given to the sustainable local transport sector as a vital pillar for economic, social and environmental recovery, both in the short and long-term.

Moreover, due to the crisis, many modes including new modes (shared bikes, shared e-scooters) and public transport have been suffering a deterioration of their image. The disaffection of travellers is likely to continue in the coming months and passenger demand will not immediately bounce back to prior levels. Many of those who can telework will continue to do so until safe travel and safe workplaces are assured. Commuting has resumed for those not able or willing to telework, but discretionary trips are fewer and more local.

To adapt to the new mobility needs and prepare for the recovery from the pandemic, cities worldwide have quickly been adapting street infrastructure for more active forms of mobility using tactical urbanism (e.g. temporary cycling lanes/infrastructures repurpose vehicle space for more cycling; extended pedestrian areas; speed reductions; inner-city parking restrictions; traffic calming measures; re-timing traffic lights to give more time for pedestrians; “slow

⁴ [UITP, Public transport ridership evolution, 2020](#)

⁵ ASSTRA, COVID-19: The impacts on local public transport companies and future scenarios, 2020

⁶ ATUC, ATUC reclama un plan urgente de ayudas ante la falta de liquidez de las compañías, Atuc se mueve, p.23, https://www.atuc.es/sites/default/files/revista/pdf/atuc_95.pdf, 2020

street”/“safe street” networks that prioritise pedestrians and cyclists and limit car access; neighbourhood traffic-calmed zones; developed guidelines for walking and cycling, etc.) and using the crisis as an opportunity to provide safer mobility to citizens. While some have been temporary, these measures have acted as experiments and could be implemented permanently when the results are positive.

5 The European Green Deal

5.1 Overview of proposed measures

The European Green Deal is designed to affirm the European Commission’s commitment to tackling climate and environmental-related challenges. It is a new growth strategy that aims to transform the EU into a fair and prosperous society, with a modern, resource-efficient and competitive economy where there are no net emissions of greenhouse gases in 2050 and where economic growth is decoupled from resource use.

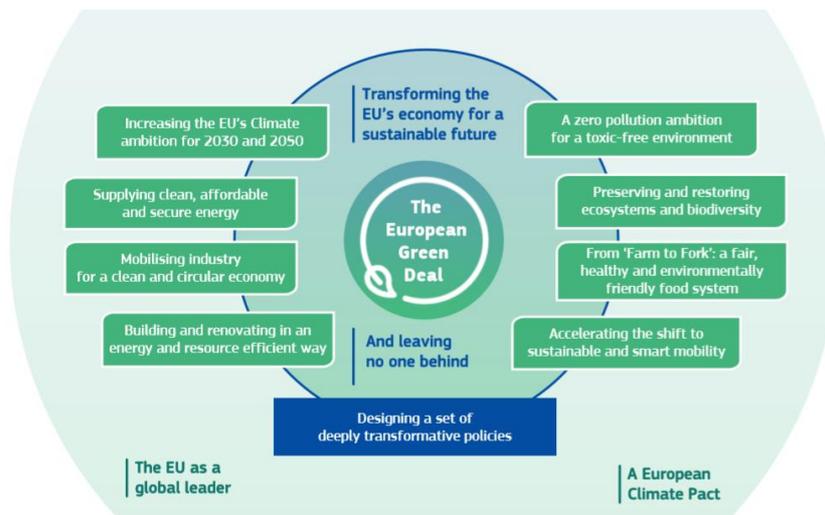


Figure 4: The European Green Deal

5.2 Overview of the transport component

Regarding mobility, the European Green Deal states that Europe must reduce emissions from transport further and faster. Transport accounts for a quarter of the Union’s greenhouse gas emissions and these continue to grow. The Green Deal seeks a 90% reduction in these emissions by 2050 compared with 1990 levels.

The main elements of the European Green Deal regarding the transport sector focus on accelerating the shift to sustainable and smart mobility:

- Urban mobility, addressing congestion and pollution: Further support to new sustainable mobility services that can reduce congestion and pollution, especially in urban areas. A combination of measures should be implemented to ensure reduced emissions, less urban congestion, and improved public transport.

- To achieve climate neutrality, a 90% reduction in transport emissions is needed by 2050. The EU should ramp-up the production and deployment of sustainable alternative transport fuels.
- The Sustainable and Smart Mobility Strategy aims to make all modes of transport more sustainable, sustainable alternatives widely available to enable better modal choices and put in place the right incentives to drive the transition to zero-emission mobility.
- By 2025, about 1 million public recharging and refuelling stations will be needed for the 13 million zero- and low-emission vehicles expected on European roads.
- Support the deployment of public recharging/refuelling points where persistent gaps exist, notably for long-distance travel and in less densely populated areas. Launch of a new funding call to support this.

6 The contribution of local passenger transport to the European Green Deal

6.1 The why and how of sustainable local transport

The urban, suburban and regional passenger transport sector can play a key role in making Europe and its citizens net carbon neutral by 2050. The fastest and most cost-efficient way to decarbonise people's daily mobility and reduce the carbon footprint of their mobility choices is to promote the use of public transport, walking and cycling as well as redefining public transport to include all collective and shared modes so as to provide a door-to-door alternative to motorised private modes.

THE WHY OF PUBLIC TRANSPORT

Sustainable collective mobility modes across urban areas:

- In 2018, buses, trams and metros in EU cities carried some 50 billion passengers – this saved some 36 billion annual, or 100 million daily car trips from suffocating our cities;
- Every year, public transport can help to avoid up to 20 tonnes of CO₂ in cities while only emitting one tonne;
- Public transport users help reduce not only GHG emissions, but other air pollutants as well, thereby helping to improve air quality and public health - this is increasingly reflected in sustainable transport policies at local, regional and national level in EU Member States;
- Public transport is a key accelerator of the economy, job creation, social inclusion and sustainability;
- Urban and local public transport services in Europe contribute between EUR130-150 billion per year to the economy (nearly 1% of the EU's GDP);

- The public transport sector is amongst the largest employers at local level, employing 2 million people in the EU, that is 20% of the 10 million people employed in the overall transport industry;
- Public transport encourages active lifestyles, as most journeys involve walking or cycling to and from public transport stops – the health benefits associated with active travel include positive impacts on diabetes, mental health, obesity and a decreased risk of cardiovascular disease and different types of cancers⁷.

With the support of the European Green Deal, the sustainable local passenger transport ecosystem can achieve net-zero GHG emissions at the latest by 2050 in a cost-efficient manner – at the centre of this will be further efforts to decarbonise public transport fleets. Likewise, the European Green Deal should include measures such as setting specific CO2 reduction targets for the transport sector, enabling the decarbonisation of people’s travel and daily commuting.

Moreover, the European Green Deal will have to stay compatible with other economic and social priorities, also meaning that the impact of future climate actions will have to be mitigated for the most vulnerable citizens. That is why besides its potential in reducing CO2 emissions from daily urban and suburban commuting, collective and active modes of local transport play a key role in making cities more accessible for all, providing access to education, employment and other essential urban services. Also, high-capacity mass transit plays an important role for the most disadvantaged in society, who are also disproportionately affected by health impacts, especially poor air quality.

Within the European Commission’s Sustainable and Smart Mobility Strategy, there will be a revision of the Sustainable Urban Mobility Package. Since its inception in 2014, several developments have had both direct and indirect impacts on urban mobility. This has necessitated a revision of the original Urban Mobility Package to be suitability for post-2020 challenges. The forthcoming Sustainable Urban Mobility Package should enhance urban mobility while reducing congestion, accidents and pollution. The package could encourage and support authorities to improved public transport links in rural areas and for commuters. These missing transport links could be addressed with public transport options such as railways, bus, bus rapid transit, on-demand or sharing options.

The need to reduce congestion and emissions is contributing to a fundamental worldwide redefinition of local mobility services, powered by the possibilities brought by digitalisation. New business models as well as new partnerships are constantly tested and brought to market, accelerated by the COVID-19 pandemic. As the backbone of urban mobility, high-capacity public transport will shape the mobility space towards the sustainable scenario of the European Green Deal. Collaborating with other mobility players would allow public transport operators to fill the gaps in their services and to increase their attractiveness. For example, public transport operators are already collaborating with micromobility operators to provide first and last-mile connections or with on-demand ride-sharing systems to provide service in low-density areas

⁷ [UITP Policy Brief: Unlocking the health benefits of mobility, 2016](#)

or at off-peak times, or also to provide special services that address specific needs of people. Nevertheless, public policy will play a key role in redefining public transport and accelerating the adoption of shared-vehicle-based solutions, e-hubs and multi-modal sharing points in conventional, electric and eventually automated vehicles. Like never before, has the need of experimentation and continuous adjustments in the mobility ecosystem been so strong to ensure further improvement, integration, coordination and communication of the transport offer and steer mobility towards a more sustainable path. Without the right public policies, mismanagement and individualisation of services could lead to increased car use.

Those insights offer prospects to decarbonise local daily mobility with strong overall benefits including clean air, reduced noise, accident-free traffic and improved quality of life in cities, altogether generating major benefits for citizens and the European economy. Yet, such a level of ambition will require cities to become leaders in tackling climate change and air pollution while developing a circular economy. Therefore, the most affordable but largely overlooked way to achieve net carbon neutrality is to provide people with more, clean, efficient and more attractive transport options such as public transport, as well as walking and cycling infrastructure.

6.2 Europe-level public transport decarbonisation actions

In the course of the project, an online questionnaire was sent to all CIVITAS Advisory Group (AG) and UITP Low Carbon Working Group members before the second AG online meeting. The questions were designed to gather key inputs, which are difficult to come by otherwise, and to complement the discussions planned for the online meeting itself. Within the online questionnaire, participants were asked to rank proposed measures to decarbonise public transport. These measures are grouped into six components and aim to draw a realistic vision from the sector on how to make cities drastically less polluting – a priority measure for mobility under the European Green Deal.

The measures were identified through desk research by UNFCCC, OECD, ITF, SLoCaT and SUM4ALL. They are based on the avoid-shift-improve approach and are targeted at the EU, national, local level as well as the private sector and citizens. The primary focus is to achieve net neutral public transport operations, measures that encourage a modal shift to public transport and improved systems efficiency.

The package of measures in Table 1, Table 2 and Table 3 can be seen as an overarching common framework to help decarbonise the sector in line with the EU's net neutrality target by 2050, which is a key objective of the European Green Deal, alongside more ambitious 2030 targets. A single policy pathway for decarbonising the sector will not be suitable for all countries.

Table 2: European public transport decarbonisation measures by 2030

2030		
Components	Measures	Description

Transport & Land Use Frameworks		Governance and regulatory frameworks	Design policy linking decarbonisation of public transport with the NDCs and SDGs – notably SDG target 11.2 – including resilience mapping.
Improved Efficiency	Modal	Attractiveness of public transport (frequency, quality, affordability, safety, accessibility, inclusivity)	Improve the overall urban public transport systems to contribute to their attractiveness among the public.
Demand Measures & Financing Solutions		EU Sustainable Taxonomy Finance	Increase of available funds for the financing of sustainable urban transport that can be accessed at the local level.
Lobbying for public transport		Public transport in all National Determined Contributions	Inclusion of public transport in all the National Determined Contributions as a mean to reach the GHG reduction target of the country.
Technology Support Operations	to Clean	ITS (fleet management, prioritisation)	Use of ITS technologies to improve the efficiency of vehicle operations, prioritisation and transport systems.
R&D for Transport	Public	Increase innovation funds, such as Horizon Europe	Development of innovation funds that can be used by the urban public transport sector.

Table 3: European public transport decarbonisation measures by 2050

2050			
Components		Measures	Description
Transport & Land Use Frameworks		Governance and regulatory frameworks	Design policy linking decarbonisation of public transport with the NDCs and SDGs – notably SDG target 11.2 – including resilience mapping.
Improved Efficiency	Modal	Attractiveness of public transport (frequency, quality, affordability, safety, accessibility, inclusivity)	Improve the overall urban public transport systems to contribute to their attractiveness among the public.
Demand Measures & Financing Solutions		Green procurement of public transport (inc. joint procurement)	Recognise/reward organisations that lead efforts to decarbonise, notably in relation to green public procurement (including through supply chains and voluntary efforts).
Lobbying for public transport		Public transport in all National Determined Contributions	Inclusion of public transport in all the National Determined Contributions as a mean to reach the GHG reduction target of the country.

Technology Support Operations	to Clean	Green buildings, stations and depot	Implement green buildings – stations, depots and head offices (LEDs, BREEAM etc).
R&D for Transport	Public	Increase in deploying, demonstrating and de-risking solutions in the public transport sector	Develop R&D and support pilot projects for low and zero carbon fuels, technologies and energy etc at the local level

6.3 Restoring trust in local passenger transport following the COVID-19 pandemic

It is important to restore trust in collective and shared modes of transport following the COVID-19 pandemic. In this regard, building a culture of service excellence in order to respond to changing passenger needs and expectations is necessary. The cleaning and disinfection standards adopted during the pandemic should continue and be strengthened with innovative cleaning technologies. The objective with these actions is that travelers will trust public transport and shared modes again when they see all the measure taken to keep them safe.

Particularly public transport operators should ensure that safety measures taken are highly visible to commuters. In many places, cleaning and disinfection measures are carried out in front of the commuters throughout the day. With the help of signs and infographics operators further prove the multiple actions they are taking to ensure safety, such as no cash payments, rear door entry and exit, blocking certain seats to ensure safe physical distancing and the like. Commuters need to repeatedly see and believe that their safety is a top priority and that everything is being done to ensure this.

To comply with decisions taken by public authorities, local transport operators adapted services and changed timetables. In some cities, night and school services have been suspended, some networks followed weekend or school holidays timetables. In some countries, it is required to pre-book a seat. When it is the case, commuters need to be well aware of this type of information. Attractive pricing and targeted offers could also be introduced to encourage the use of public transport and shared mobility modes under the local transport authority's management. In Portugal, protection masks are offered when purchasing a monthly pass. It is also possible to share heart-felt stories coming from drivers or commuters via social media. For example, the Flemish public transport operator, De Lijn, launched a photo contest on Instagram to remind commuters of the beauty of public transport. In Atlanta, bus drivers delivered meals to those who cannot make it out themselves.

At political level, a strong push to return toward public transport should be urgently made to counterbalance the wish to travel privately. In this context, cooperation and coordination with other mobility providers would be valuable to offer people safe and reliable alternatives to private cars and avoid households opting for car acquisition. It is important to reinstate the general benefits of public transport, such as sustainability, social inclusiveness, effect of climate and health, etc. See Table 4.

Table 4: Average external costs 2016 for EU28: passenger transport (excluding congestion)⁸

INDICATOR	ESTIMATED COST (bn €/a)
Congestion	200.6 billion
Air Pollution	73.2 billion
Accidents	239.6 billion
Noise	72.8 billion
Climate	115.2 billion
Well-to-tank	40.9 billion
Habitat damage	55.5 billion
Total passenger transport	EUR 230 billion

7 EU funds and financing instruments

7.1 The impact of the coronavirus on public transport financing

Once the public health situation in the context of COVID-19 stabilises, public transport and local mobility services will play an even greater role in revitalising the European economy. In order to limit the social, economic and financial consequences impacting public transport, exceptional measures will need to be adopted by governments. These measures, taking the form of a stimulus package, should cover public transport companies and the supply chain industry.

Nowadays, cities and mayors are on the front line of the global crisis, taking difficult decisions regarding their mass transit networks. Many of the cities around Europe are dependent on subsidies to safeguard public transport's core functions and financial stability but also for all the planned and future investments in assets and infrastructure. Given the virus' economic impact on most European cities, local governments will need to re-assess their budgeted expenditures and investment plans. The only way for public transport to remain a strategic priority in a post-pandemic mobility reality is targeted and sufficient financial assistance coming from the EU, particularly the Next Generation EU and the long-term EU Multiannual Financial Framework (MFF) 2021-2027.

⁸ [Handbook on the external costs of transport, 2019](#)

7.2 EU financing to deliver the European Green Deal

Sustainable transport investments have long functioned as a key accelerator towards a carbon-neutral economy. Now, with the pandemic having a strong impact on Europe, careful policy actions are urgently required to mainstream transport financing into a broader recovery package.

Substantial EU financing and grants to the public transport sector are critical if the looming recession is to be overcome as well as to ensure at least the pre-crisis levels of service. This refers not only to the mid-term, post-lockdown perspective, but also to the long-term sustainability ambitions foreseen by the European Green Deal. The allocation of funds could contribute to redefine investment priorities and take into account a multiplier effect on the economy.

- First, the European Structural and Investment Funds, covering the Cohesion Fund (CF) and the European Regional Development Fund (ERDF), must be further strengthened to support the survival (short-term) and development (mid- to long-term) of public transport assets, infrastructure and service quality at urban, local, rural and regional levels. To achieve this, local and regional collective transport investments must be prioritized under the Commission's priority investment areas and framework conditions for effective delivery of the Cohesion Policy 2021-2027 under the European Semester assessment for every EU Member State.

In the short term context, a sufficient part of still available Cohesion Funds programmed for the 2014-2020 period must be channelled into a Local Mobility Emergency Fund tool that would be available for local public transport undertakings. Featured by easy access and fast-lane procedures, this fund would be exclusively dedicated to supporting regions and municipalities in covering severe decrease in farebox revenues and all additional COVID-19 related expenditures borne by local public transport companies.

In the mid to long-term, financial packages of €12bn from the ERDF and €40bn from the Cohesion Funds must serve as nominal guaranteed envelopes for overall transport investments – including local public transport services and networks – in the forthcoming MFF 2021-2027. In this programming period, the total grant package dedicated for local public transport investments under the Cohesion Policy must reach no less than €20bn, moving up from the current €12.2bn (programmed in the ongoing MFF 2014-2020 under the Cohesion Policy).

The forthcoming MFF package, including grants, financing and blending of both, is the most appropriate instrument to secure the necessary investments that will revive the post-lockdown European economy. Future investments in public transport infrastructure will not only mitigate the economic impact of the pandemic but – most notably – will optimally contribute to the logic of marrying post-crisis economic recovery and job creation with the long-term ecological aspirations of the EU. Likewise, such an approach will be instrumental for the urban mobility sector itself to reduce its environmental footprint, which is even more important, with the ambition of becoming net-carbon neutral ahead of the 2050 EU target.

- Second, local transport investments must be explicitly prioritized under the European Green Deal. Both the European Green Deal Investment Plan and the Just Transition Mechanism have a great potential to include sustainable transport and infrastructure

financing as a strategic mean to restart the economy and speed-up its recovery. Therefore both the Just Transition Scheme under InvestEU as well as the Public Sector Loan Facility managed by the European Investment Bank (EIB) must prioritize local sustainable transport investments, including innovative financing products and easy-access debt instruments (such as loans), particularly in low- and zero-carbon modes of collective transport.

- Third, while mobilizing necessary mobility investments, the European Green Deal's investment plan must create traction to guarantee the buy-in of the much-needed private capital. This, in turn, will allow to invest more easily in complex and innovative projects often featured by relative higher economic risks. In this context, a well-developed green taxonomy framework that favours public transport as a key investment area contributing to climate change mitigation and adoption, is deemed critical. By doing so, the EU and EIB's support to local public transport will send a strong investment and political signal remaining in full alignment with the European Green Deal's key objectives – decarbonisation, decongestion, digitalisation and social justice.
- Last but not least, the provisions related to the Urban Nodes priority under the forthcoming arrangements of the Connecting Europe Facility (CEF2) must – to a much larger scale than currently – reflect local dimensions and priorities. The TEN-T network, particularly the comprehensive one including secondary, local, regional and cross-border sections, can only be successfully completed by scaling-up investments in development and modernisation of local infrastructures that enhance and interconnect existing networks. The currently prevailing 1% of the €24bn CEF Transport envelope (2014-2020) dedicated to Urban Nodes priority must see an increase of at least 10% during the 2021-2027 financing programme.

Additionally other centrally-managed financial instruments, including the European Fund for Strategic Investment (EFSI), must see a dedicated envelope available for local public transport operators and authorities to sustain current economic viability of service, but also all ongoing and future investments. EFSI's Infrastructure and Innovation Window (IIW) is the most appropriate platform to stimulate investments in transport infrastructure, while increasing private sector financing for projects outside the TEN-T.

These above-mentioned financing measures will be able to address both the current economic crisis and the ongoing climate emergency. There will be no sustainable progress and prosperity in the post-pandemic Europe without local public transport being regarded as an essential precondition for resilient recovery and green growth.

Finally, it has been recognized that although the recently proposed EU recovery plan proposal still remains rather vague, it is clearly oriented towards the implementation of the European Green Deal, which is very positive. Likewise, the recovery plan explicitly confirmed the intention to “shift to clean urban mobility” which is also a step in the right direction.

The transport elements in the plan clearly open the door for the sustainable local transport sector to benefit from the European recovery efforts. Public transport remains an essential precondition for resilient recovery and green growth. Objectives of the EU recovery plan and the accompanying European Green Deal – including decarbonisation, decongestion or social justice – will never be met if the EU does not put the financing focus on local collective mobility modes.

In this context, the EU recovery plan also confirmed that under the InvestEU facility, the EU financial guarantee for the Sustainable Infrastructure window could be doubled, while a new Strategic Investment Facility window would be set up – yet as InvestEU is dedicated to all existing infrastructure, it is critical that its sustainable local transport component is clearly outlined and confirmed. Moreover, it is highly needed to ensure the sustainable local transport component across all EU financial instruments proposed under the EU recovery plan, including the Recovery and Resilience Facility, Just Transition Scheme, Solvency Support Instrument, Horizon Europe and the Cohesion Policy.

8 Recommendation

8.1 Short term

- Restoring trust in local passenger transport following the COVID-19 pandemic should take place by maintaining cleaning and disinfection standards, ensuring safety measure taken are highly visible to commuters, communicating strategically about safety measures and ensuring a strong push for the return toward sustainable transport should be made at a political level, including the EU tier;
- A targeted and sufficient financial assistance coming from the EU is the only way for public transport to remain the strategic player in a post-pandemic mobility reality.

8.2 Long term

- By using the “Avoid – Shift – Improve” (ASI) strategy towards public transport, walking and cycling cities can reduce GHG emissions, local pollutant emissions, as well as congestion;
- At the heart of the overarching EU Strategy on Sustainable and Smart Mobility and the forthcoming Sustainable Urban Mobility Package should be a shift to a sustainable urban transport system, notably through expanding public transport, walking, cycling and new forms of shared mobility;
- The European Green Deal should include measures such as setting specific CO2 reduction targets for the transport sector, enabling the decarbonisation of people’s travel and daily commuting;