



**To: Ursula von der Leyen  
President of the European Commission**

**To: Charles Michel  
President of the European Council**

**To: David Maria Sassoli  
President of the European Parliament**

Brussels, 22 April 2020

## **OPEN LETTER:**

### **Progressive resumption of services and survival of urban public transport and local mobility services in Europe**

Dear Ms. von der Leyen,

Dear Mr. Michel,

Dear Mr. Sassoli,

The local public transport sector is impacted in an unprecedented way by the COVID-19 crisis. It is currently fighting to maintain the continuity of services during the lockdown period.

With the progressive resumption of services in the coming days and weeks, it will have to face multiple complex challenges in order to play its part in post-lockdown strategies. The local public transport sector will have to adapt to the phasing out of travel restrictions and the phasing in of various types of activities.

The entire ecosystem of the sector will have to fight to survive this crisis, to rebuild trust in public transport in the post-COVID-19 period and, ultimately, to come out stronger from this crisis. Public transport systems are vital to the economic recovery and for keeping the Green Deal and the climate change agenda on track.

UITP, the International Association of Public Transport, represents more than 450 public transport operators and authorities in Europe and 1,700 stakeholders worldwide. In a first open letter<sup>1</sup> sent to the EU institutions on 25 March, UITP, together with partner associations of the sector, pointed out the principal measures and best practices that are urgently needed for ensuring the continuity of services during and after the lockdown period. While the overall social, economic, and financial impact of the pandemic on local public transport is still uncertain, we are now entering a new phase of this crisis.

With this second letter, UITP Europe would like to:

1. Illustrate the current concerns related to the progressive resumption of services post-lockdown.
2. Insist on urgent measures that need to be adopted at EU level in order to preserve the public transport ecosystem.
3. Strongly reaffirm the need to strengthen the Green Deal objectives

## I CONCERNS ABOUT THE PROGRESSIVE RESUMPTION OF SERVICES POST-LOCKDOWN

Though the pandemic is still active, it is important to anticipate the progressive lifting of the lockdown and prepare to swiftly resume operations in due time. However, many issues will have to be addressed before public transport services can be operated in full capacity to answer the demand for mobility. Hereafter the main questions and reflections identified in our sector:

1. **Responsibility to enforce measures: Whatever mobility restrictions and sanitary measures will be defined, ideally in coordination with the sector, the responsibility to enforce them should clearly remain with public authorities.** Public transport stakeholders, provided they are given the appropriate means, will collaborate to implement them, either for imposing social distancing, wearing masks, checking body temperature or for filtering access to certain categories of users.
2. **Wearing masks:** In combination with other measures wearing masks in public spaces could seem to be the best way to limit the need for safe distancing. Many questions are still pending: Will wearing masks be compulsory in public spaces and therefore public transport? Will they be made available to all citizens? Which entity

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<sup>1</sup><https://www.uitp.org/news/open-letter-european-institutions-uitp-and-fellow-associations-advocate-continuity-public>

is going to be in charge of enforcement and controls?

3. **Safe distancing:** The lockdown has made it possible to respect safe distancing between passengers due to the low ridership. In the post lockdown phase, the same level of safe distancing will be very difficult if not impossible to implement in public transport. How to manage the crowd in stations, platforms and vehicles simultaneously? Who is going to support operators in controlling the access to platforms, bus stops, vehicles?
4. **Demand management:** The objective of reducing human density in urban areas will only be achieved by modifying existing patterns of economic and social activities. All ways to spread out peak hours and better manage the demand in public transport networks should be explored. During a transition phase, this could include reviewed routes and frequencies as well as the introduction of additional on-demand routes or services reserved for health care personnel.
5. **Protecting workers:** Measures adopted for the protection of public transport workers during the lockdown will have to be extended including providing staff with adequate personal protective equipment, reducing direct contact between staff and passengers, checking temperature and using any other system of monitoring for possible symptoms, etc. Some operations, in particular for maintenance tasks and infrastructure works, may have to be reviewed to integrate safe distancing requirements.
6. **Communication with passengers** will be crucial in order to instruct them on how to use public transport safely as well as to progressively reinstall trust in using public transport.

These are just a few of the issues to be addressed in a post-lockdown phase. However, they give an indication of the critical aspects to be tackled towards resuming operations in public transport systems. As expressed above, the return to 'normality' in public transport systems will depend largely on the decisions taken by the responsible authorities, and their own capacity to implement, control and enforce them with regard to mobility restrictions and sanitary measures.

**In this context and taking into account the complexity and uniqueness of certain issues related to resumption of public transport services, the coordination, recommendations and sharing of best practices at European level will be absolutely key. UITP is ready to do everything possible to encourage, contribute and relay this knowledge sharing.**

## II URGENT MEASURES TO BE ADOPTED AT EU LEVEL

First available data, from various European Member States, show that the passenger transport sector's ecosystem will be heavily affected. This includes local public transport authorities, public transport operators, subcontractors, new mobility providers and the supply industry. The impact relates not only to the decrease in farebox revenues (in some cities the reduction in patronage overpasses 90%) and the additional costs needed to disinfect and implement safe distancing measures in public transport vehicles and infrastructure, but also to the reduction in industrial and service production and decrease in turnover of the supply industry, with potential consequences on preserving employment in a sector which is in many cases one of the main, if not the first, employers in cities.

**In order to limit these social, economic and financial consequences, exceptional targeted measures will need to be adopted at EU level and rapidly deployed.** We must keep in mind that passenger transport systems, and the workforce which keep these systems running, are vital to the recovery and functioning of the economy. These measures would not just support the sector in question but society as a whole.

### Funding and financing

Substantial EU financing and grants to the public transport sector are critical if we want to overcome the looming recession and ensure at least the pre-crisis levels of services. This refers not only to the mid-term, post-lockdown perspective, but also to the long-run sustainability ambitions foreseen by the European Green Deal.

- 1) **The European Structural and Investment Funds (ESIF)**, 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.
- 2) UITP is convinced that a sufficient part of still available cash reserves under ESIF and programmed for the 2014-2020 period must be channelled into a **Local Mobility Recovery Fund** providing immediate liquidity to local public transport undertakings. Featured by easy access and fast-lane procedures, this fund would be exclusively dedicated to support regions, municipalities and operators in covering severe decrease in farebox revenues and all additional COVID-19 related expenditures borne by local public transport companies.

- 3) UITP proposes that a total package value of **€12bn from the ERDF** and **€40bn from the CF** must serve as nominal guaranteed envelopes for overall transport investments – including local public transport services and networks – in the forthcoming **Multiannual Financing Framework (MFF) 2021-2027**. In this 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. By the same token, it is advisable to increase the research and innovation part of the next Horizon Europe program dedicated to sustainable urban mobility modes.
- 4) 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.** UITP is convinced that 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.
- 5) UITP believes that while mobilizing necessary mobility investments, **the Green Deal's investment plan must create traction to win over much-needed private capital.** This, in turn, will be able 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 equally 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 Green Deal's key objectives – decarbonisation, decongestion, digitalisation and social justice.
- 6) The provisions related to 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. UITP is convinced that 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.

- 7) UITP believes that 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** is the most appropriate platform to stimulate investments in transport infrastructure, while increasing private sector financing for projects outside the TEN-T.

## State aid

Some public transport operators risk bankruptcy during the crisis. **Tax exemptions – VAT and corporate tax for instance -, support for liquidity and bonds, and moratoriums on debt reimbursements should therefore be considered.** These mechanisms should also be made available to local public transport authorities, as they are the ones that often shoulder the risk of revenue losses. The option of loans without interests could also be interesting (for the duration of the state of emergency and over the subsequent months).

Other types of State aid measures could include the possibility of allocating necessary additional resources to support public transport authorities and operators, be they public or private without the need for prior EU authorisation. **An extension of the temporary general flexible State aid framework for at least 12 months and higher caps than the current 800,000 € as well as a specific temporary framework for public transport** could also be a way forward. For instance, in the Paris region alone, the public transport authority is estimating the financial impact to be around 1 billion € for the months of March and April.

## Allowing public service contracts to adapt to exceptional circumstances

Public transport authorities and operators will need help safeguarding the economic equilibrium of public service contracts and any undercompensation will need to be avoided. However, under current regulations, the risk is that any substantial changes to the initial public service contract could lead to the need for a new award procedure.

The public transport sector is seeking assurances that these modifications would be possible under the current rules set out by Regulation 1370/2007 on public service obligations as well as by the public procurement Directives (2014/24/EU and 2014/25/UE). Naturally, these re-equilibrium processes under the same initial contract, should only be possible within a limited time frame.

With public finances stretched, it is even more important to ensure value for money and good outcomes as well as the proper application of the PSO Regulation in the long run.

## Increased flexibility for implementation of certain EU legislation

Given the current circumstances, showing flexibility when it comes to the implementation of EU legislation will be imperative.

Delays on certain dossiers such as the Clean Vehicles Directive may be unavoidable. Already, progress on large infrastructure projects has come to a stand-still in many European cities. As the crisis is slowing down manufacturing across the continent, it is questionable whether the industry will be able to meet the demand by operators and authorities, e.g. for electric buses or charging infrastructure. Considering that the extent of the impact on our sector and the whole economy remains to be determined, some implementation timelines may have to be revisited in the coming months.

Also, a temporary adjustment of the rail passenger rights regulation could allow for better financial planning.

## Communication

72% of Europeans live in urban areas. Prior to COVID-19, millions of people used local public transport every day. A modal shift towards public transport is still needed as it means reducing CO2 emissions, preventing climate change, safer mobility, more local jobs, economic well-being, clean air, social cohesion and healthier citizens. Therefore, public transport is a natural key-ally for policy-makers to reach a large number of European policy goals.

Just before the COVID-19 crisis, there were record numbers of ridership in many public transport networks in Europe.

Due to the crisis, the local public transport sector is currently suffering a deteriorated image. It is important to **restore and strengthen trust** amongst travelers and reassure them about the impact on health. **At the European level, a strong push for the return to sustainable transport should be made to counterbalance a wish to travel privately whose negative externalities in terms of safety, health, space, environment, economic cost, etc. should be reminded.**





UITP is therefore asking for a coordinated European effort to reinstall Public Transport as the indisputable backbone of sustainable mobility. **The promotion of public transport should become a priority in all European institutions' communication strategies. UITP therefore notably suggests that before the end of the current European Commission's mandate a European Year is dedicated to sustainable urban mobility.**

### III CLIMATE CHANGE MUST STAY HIGH ON THE POLITICAL AGENDA

Public 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 a Green Deal compatible growth.** Given the economic consequences that the sustainable public transport sector is facing due to the crisis, it is vital that the EU prioritise political and financial support for sustainable urban modes of transport.

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

We call on the European institutions to stick to the European Green Deal as a roadmap and push forward initiatives that support the public transport sector. With the clear support of the EU our sector will deliver on the twin benefits of stimulating the economy and creating jobs while accelerating the green transition.

We remain at your disposal for any question you might have.

Yours sincerely,

A handwritten signature in purple ink, appearing to read 'Avanzata', written in a cursive style.

Thomas Avanzata  
UITP Europe Senior Director

A handwritten signature in blue ink, appearing to read 'Ulrich Weber', written in a cursive style.

Ulrich Weber  
Chair of UITP European Union Committee