

# PRESS RELEASE FINANCING URBAN MOBILITY REMAINS CRITICAL FOR THE EU BUDGET 2021-2027



### The forthcoming EU budget, together with a temporary recovery instrument NextGenerationEU, will be a real game-changer for local passenger transport in Europe.

Hit by **COVID-19's double meltdown of revenues and ridership**, sustainable public transport needs **fresh financing both to stay afloat and emerge ever greener** in the decade to come.

The **new EU long-term budget**, the Multiannual Financial Framework, with the NextGenerationEU recovery instrument will be **of critical importance for the future and sustainability of urban and regional passenger transport** across Europe.

UITP and its **450 member operators and transport authorities at the European level** are strongly convinced that **local public transport investments and policy measures are best placed to receive substantial co-financing** under all relevant EU funding and financial mechanisms.

In the current, highly unstable economic context, financing new or maintain existing infrastructures, deploying digital transport solutions, or greening bus and tram fleets remain an existential challenge for many operators and municipalities.

UITP estimate that **farebox revenue losses across Europe were €40 billion** in 2020 alone.

"Urban and regional passenger mobility remains a key accelerator of the European economy, local job creation, social inclusion, territorial cohesion and environmental sustainability. The pandemic has plainly showcased that local passenger transport – serving hundreds of thousands of essential workers daily – is a common good we all have to preserve."

# Thomas Avanzata Senior Director UITP Europe

UITP has acted against those provisions in the forthcoming Connecting Europe Facility (CEF) **Regulation** that exclude co-financing of mobile assets – such as zero-emission buses – under its Blending Facility.

UITP urges the European Parliament to **improve the provisional agreement which currently focuses solely on the deployment of alternative fuels infrastructure and ERTMS** with no reference to reducing – or decarbonising – growing urban traffic congestion.

This is of prime importance, with **urban mobility being still responsible for 23% of total CO2 emissions from transport** in Europe.

In the recent years, **CEF has provided a plethora of financing opportunities for many public transport companies to exponentially reduce their carbon footprint** with clean and zero-emission bus fleets.

"Transition towards clean fleets in local passenger transport is crucial to achieve European climate ambitions. Beyond modal shift, public transport actors should be supported by the EU in the development of sustainable forms of mobility with alternative energies that will make it possible to absorb increasing passenger flows, while reducing carbon footprint."

#### Thierry Mallet CEO Transdev Group

For the sector that provides **60 billion passenger journeys per year, contributes with €150 billion annually to the EU economy, and employs two million people in Europe**, both the current MFF 2021-2027 and the NextGenerationEU are more significant than ever.

Equally important, UITP and its members strongly believe that there is a need **to prioritise smart** and sustainable local mobility solutions under the National Recovery and Resilience Plans (NRRPs).

That is why UITP is subsequently urging the European Commission to remain vigilant in **ensuring that NRRPs do cover sustainable public transport investments and reforms in a meaningful way**, particularly regarding the deployment of clean fleets, technological innovation, accessibility, or transport network resilience.

UITP and its members wish to underscore that the local public transport sector's sustainability is one of the cornerstones for the European Green Deal to deliver.

We are convinced this is equally prominent for the **short to mid-term European economic recovery post-lockdown** that we all eagerly await.

For more information on UITP at the European level visited our <u>dedicated site.</u>



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ABOUT UITP EUROPE

UITP is the international association representing public transport stakeholders. In the European Union, UITP brings together more than 450 urban, suburban and regional public transport operators and authorities from all Member States. We represent the perspective of short distance passenger transport services by all sustainable modes: bus, regional and suburban rail, metro, light rail, tram and waterborne.

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