Dear President,

UTP (Union des Transports Publics et ferroviaires) is the professional association of France’s urban transport and rail transport undertakings (passengers and freight), and infrastructure managers. Please find attached the position of the Union of Public and Rail Transport (UTP), which represents urban public transport companies, railway companies and infrastructure managers, on the European Strategy for Sustainable and Intelligent Mobility adopted by the European Commission on December 9.

The UTP welcomes the adoption of this strategy and is pleased with the place given to rail transport, in particular the increase in freight by 50% by 2030 and its doubling by 2050. However, it regrets that this strategy does not sufficiently recognize the fundamental role played by urban transport, particularly in meeting environmental and social challenges.

Please do not hesitate to contact me, should you require any further information.

Yours faithfully,
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Sustainable and smart mobility: lack of recognition of urban public transport in the European strategy

UTP welcomes the adoption of the European sustainable and smart mobility strategy and the inclusion of rail transport. However, it is disappointed to see that the strategy does not sufficiently recognise the fundamental role urban transport plays in addressing the current challenges in urban areas.

TP welcomes the European Commission’s adoption of its sustainable and smart mobility strategy. It is pleased that the strategy gives rail transport its rightful place, notably by setting ambitious objectives, such as increasing rail freight by 50% by 2030 and doubling it by 2050.

However, it is disappointed to see that the strategy does not sufficiently recognise the fundamental role played by urban and peri-urban public transport in addressing the current challenges in urban areas. These sectors, which are vital for European citizens’ everyday lives, have continued to be very active in transporting passengers during the health crisis. However, they are currently in a very precarious state, due to passenger numbers plummeting across Europe following successive lockdowns, and deserve support from the European Union and the Member States so they can cope and meet the challenges they face.

**GIVING URBAN TRANSPORT ITS RIGHTFUL PLACE**

The challenges that have existed for many years - combating pollution and greenhouse gas (GHG) emissions, reducing congestion, including those most vulnerable among the population, etc. - are now greater, and have even multiplied, particularly in urban areas.

For example, 74% of the European population lives in cities, 23% of GHG emissions from transport occur in urban areas, and the social and economic costs of congestion, which is mainly in cities, amount to 270 billion euro per year. While the Commission’s strategy recognises the importance of cities, it does not give full consideration to urban public transport, and in particular mass transit, which is the true backbone of urban transport, providing daily travel for millions of people in Europe.
Sustainable and smart mobility: lack of recognition of urban public transport in the European strategy

RECOGNISING MODAL SHIFT AS A TOOL IN ITS OWN RIGHT FOR ACHIEVING OUR CLIMATE OBJECTIVES

UTP welcomes the Commission’s recognition of the need for 75% of road freight to be shifted to rail and inland waterway transport.

In terms of passenger transport, the share of private cars remains very high in Europe and has only slightly decreased over the last two decades, sitting at 70% in 2016, only three points lower than in 1996. This is especially concerning, as the share of combustion engine vehicles will continue to be high in the coming years and the current health crisis is contributing to a huge return to car use, particularly in cities and peri-urban areas. The widespread use of electric vehicles will not resolve all the challenges either, notably congestion problems and energy conservation.

For this reason, the Commission must continue to strongly encourage a modal shift towards favourable modes in terms of reducing pollution, congestion and GHG emissions. The modal shift towards mass transit and towards rail transport is one of the key solutions in achieving the objectives set by the Green Deal. Urban public transport is a powerful lever for reducing emissions from the transport sector, a sector that remains a high emitter: 30% of GHG emissions. Furthermore, it is the only sector that has continued to see its emissions grow: more than 18% since 1990.

NEED FOR EUROPEAN FUNDING TO SUPPORT PUBLIC AND RAIL TRANSPORT

Enhancing the sustainability of local public transport and railways requires strong support for modernising and improving existing networks via the investments needed in infrastructure, interoperability, rolling stock, digitisation, and research and innovation.

The share of ERDF and Cohesion Fund monies allocated to local public transport was 16.3 billion euros, which accounts for 6% of both budgets over the period 2014-2020. This share is expected to be further increased in the next budget. The Horizon Europe programme’s calls for projects will also have to put special emphasis on urban transport innovation projects.

The Connecting Europe Facility (CEF) must also be reoriented towards financing urban and rail transport.

For example, the funding of urban and rail nodes, which is actually crucial to achieving the objectives of transport decarbonisation, currently represents only 1% of the CEF, falling well short of where it should be. The co-financing of projects on implementing the European Rail Traffic Management System (ERTMS) must also be increased so that rail traffic management can be improved.

The CEF must also be able to be used to finance infrastructure and rolling stock using alternative fuels, and to ensure their maintenance processes go green.

Finally, the European Commission’s examination of national recovery plans should pay particular attention to projects investing in urban public transport and railways for the ecological and digital transition, so that the latter can fully benefit from the funds of the Recovery and Resilience Facility, InvestEU, REACT-EU and Just Transition Fund.

FOR THE DEVELOPMENT OF INFRASTRUCTURE AND ALTERNATIVE FUELS

UTP welcomes the Commission’s desire to support the implementation of infrastructure enabling the use of alternative fuels. This is also one of the prerequisites for implementing the Clean Vehicles Directive. The ecological transition of bus depots must also be fully incorporated into the revision of the Alternative Fuels Infrastructure Directive.

It is also important for the European Commission to promote several solutions beyond electricity in order to move towards reduced emissions, notably through its measures on sustainable finance: taxonomy, by supporting for example the introduction of hybrid trains and hydrogen vehicles and trains.
IMPLEMENTING THE POLLUTER-PAYS AND USER-PAYS PRINCIPLES

The European Commission recognises the need to implement the polluter-pays and user-pays principles, as well as a full internalisation of external costs by 2050, something UTP welcomes. Achieving our GHG reduction targets will remain impossible unless constraints on car use are put in place.

Using the cleanest modes of transport must be encouraged, while greater equity needs to be implemented between rail, air, maritime and road transport; rail transport covers all its costs, however this is not the case for the other modes of transport.

The European Commission proposes carbon-neutral public transport by 2030 for distances of less than 500 km. Only strong measures to support rail transport in the short term, in particular to limit increases in rail charges (with full compensation for infrastructure managers) and the fares offered to passengers, will enable behaviour to change and encourage a modal shift. Furthermore, there is the question of whether air and maritime transport will also have to be carbon-neutral for their routes of less than 500 km. Technological advances are not enough to meet the objectives of reducing CO2 emissions in transport, and there can be no real modal shift towards urban transport and rail transport without conditions for fair competition between all modes of transport.

THE NEED TO PROVIDE A STABLE LEGAL FRAMEWORK: THE REGULATION ON PUBLIC SERVICE OBLIGATIONS

Regulation 1370/2007 on public passenger transport services by rail and by road stipulates the conditions under which competent organising authorities can organise the provision of quality public passenger transport services, in line with today’s territorial challenges, by allowing them to establish public service obligations. To this end, the regulation lays down, on one hand, the conditions under which these authorities can entrust the discharge of such obligations in compliance with competition rules and, on the other hand, the procedures under which they may grant compensation to public service operators for the costs incurred as a result of the public service obligations whose discharge is entrusted to them.

This regulation is therefore the cornerstone of European legislation on inland public transport services, whether road or rail, all modes combined.

This regulation was amended in 2016 mainly to open up the rail transport market.

The sector now needs robust stability, particularly in legal matters, in order to implement this opening of the market in both urban and rail transport.

We do not therefore see it as appropriate to modify this regulation or its guidelines. If the latter are modified, this will have to follow the same principles as the current regulation and provide enough stability in the rules that organise this sector.

Furthermore, UTP noted that the Commission could propose a "multimodal" regulation on public service obligations, with a view to allowing “all transport modes to compete on an equal footing”. This is in line with the idea that public transport should be in competition with other private mobility services, putting them on a level playing field.

UTP would like to point out that urban, peri-urban and regional public road and rail transport is competing mainly with cars whose modal share has increased since the health crisis began. Furthermore, it is important to allow organising authorities to continue to freely determine how urban public transport for people is organised, provided it acts as a lever for land-use planning, underpinned by subsidiarity. Some operators of multimodal digital services will push for these authorities to lose the ability to establish and impose their fare and distribution policy for the services they organise, as is currently allowed under the regulation on public service obligations (RPSO), even though this is an important instrument for implementing their transport policy which contributes to territorial cohesion by addressing disparities and to the sustainable development of these same territories.
MaaS digital platforms will not be able to solve all mobility problems in cities, notably urban congestion, contrary to what is stated in the strategy by the Commission.

These platforms can no doubt contribute to improving mobility in the city, but the organisation of sustainable and inclusive mobility depends above all on the policy measures taken locally by public authorities responsible for transport, particularly regarding traffic and parking conditions in their territories. Yet this fundamental aspect of public transport organisation in Member States is not mentioned in the Commission’s strategy.

MaaS digital platforms should therefore contribute effectively to the modal shift and work together with the local or regional transport authority and transport operators.

Finally, UTP believes that it is too early to legislate on MaaS and ticketing, not only because there is no viable business model yet, but also because the principle of subsidiarity must be respected, including the mobility competences of local public authorities.

EXISTING TICKETING SOLUTIONS

In its strategy, the Commission states that there is a lack of an integrated multimodal information, ticketing and payment service at the European Union level. However, the strategy does not take into account the cooperation projects on ticketing that have already been implemented (sometimes cross-border), or the integration of local mobility services into a growing number of applications within Member States or Regions. As more than 95% of EU passengers travel within their own city or region, inter-Member State ticketing systems would only be necessary for occasional travel.

Furthermore, not only will a European Union-wide digital ticketing system not solve local mobility problems, it may also divert customers from local to international platforms, thus limiting the ability of local authorities to manage mobility developments across their territory.

Nevertheless, the proposal of interoperable solutions remains an important area for development which can help in creating new services, at any scale.

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UTP. Union of Public and Railway Transport (UTP) is the professional organisation of public transport companies. UTP represents nearly 170 urban transport companies, i.e. 53,000 employees and some 30 companies in the railway branch, i.e. 160,000 employees spread throughout France. It negotiates the collective agreements of branches, represents the profession and defends the common interests of its members.