

## News from Brussels – April 2022

Hi!

Here is this month's newsletter from Brussels where we take a look at what's going on at the EU level and at relevant news from UITP (The International Association of Public Transport).

### War in Ukraine

#### State Aid

As was the case with the COVID crisis, one of the Commission's first reactions to the war in Ukraine was to adopt a Temporary Crisis Framework for State aid to enable Member States to use the flexibility foreseen under State aid rules to support the economy in the context of Russia's invasion of Ukraine. The new Temporary Crisis Framework for State aid is available [here](#).

The Commission has since then, approved a number of "exceptional" national schemes among which:

- *an €18 million Irish scheme to support the road haulage sector in the context of Russia's invasion of Ukraine – [here](#);*
- *a €20 billion German scheme to support companies in context of Russia's invasion of Ukraine – [here](#);*
- *a prolongation of €150 million existing German scheme to reduce cogenerated electricity surcharge for railway companies – [here](#);*

The Commission is also still approving exemptions to conventional State aid rules in the context of the ongoing pandemic crisis and for instance approved this month, a re-introduction of a Swedish guarantee scheme for companies in the context of the coronavirus pandemic ([here](#)).

#### German public transport 9€ ticket to help mitigate the effects of the energy crisis

This month, the German federal and state governments agreed on the initial framework conditions for a new public transport ticket called "9 for 90" where all of public transport across the country will cost only 9€ a month for three months. The objective is to convince Germans to shift to public transport and get out of their cars.

This measure was adopted in the context of a wider national energy relief package. Among other measures taken to fight rising prices, the energy tax of super gasoline has been lowered by 30 cents on the litre, and that of diesel by 14 cents.

Concrete implementation of these measures was not discussed with the sector stakeholders prior to their adoption and will now be undertaken by transport companies and associations working hand in hand. The offer will be available to all passengers, across all German cities and will even lead to reimbursing annual ticket holders.

Numerous details still need to be clarified and coordinated within the sector and with policymakers before it can be offered to passengers as of June 1<sup>st</sup> for three months. The German public transport operators' association (VDV) has issued a press release ([here](#)) reiterating the need for

adequate funding for local public transport services and calling for the funds made available to the federal states by the federal government for this purpose to be increased this year. This is the only way to adequately finance the additional services and capacities that are now being implemented as part of the ticket campaign and to ensure the mobility of refugees. The current increase in energy costs in the sector due to the war in Ukraine must also be taken into account through appropriate financial compensation. More information on the German energy relief package is available [here](#).

## UITP actions

On April 28<sup>th</sup>, UITP Europe published a letter sent to the Presidents of the European Council, the Parliament and the Commission on the consequences of the war in Ukraine and other crises for the local public transport sector. It concludes by stating:

*"The war in Ukraine, the energy crisis and the climate crisis must be addressed by policymakers with coherent and effective policies. **Supporting public transport should be part of the measures adopted by governments now**, in line with the EU's Green Deal, and the sector should not be sidelined in European measures that are introduced in reaction to the crisis. When one crisis follows another, sustainable, inclusive, affordable, and energy-efficient mobility for all should be, more than ever before, a political priority, leaving no one and no place behind."*

The letter is available in full [here](#).

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## EU legislation and initiatives

April was a busy month for ongoing legislative work in preparation for an acceleration of EU procedures before the months of May and June and the ensuing summer holidays. Nothing new was introduced but there were some noticeable new developments in ongoing files.

### Multimodal Digital Mobility Services

The Commission's plans for integrated EU-wide ticketing and the development of a European MaaS ecosystem, bundled under the name of Multimodal Digital Mobility Services (MDMS), are growing more and more confusing by the day.

Putting aside the 6 or 7 cross-sectoral legislation that also apply to an EU MaaS, the future sectoral legislation that is foreseen by the Commission is certainly not conducive to more legal certainty. Indeed, the Commission has chosen to integrate various aspects of MDMS in at least three legal texts:

- the **definition** of an MDMS will be included in the **ITS Directive** ([here](#)) that is currently being **revised** and amended by the European **Parliament** and the Council;
- the **standards** necessary for the development of interoperable MDMS across the EU will be set out in the **MMTIS regulation** (a delegated regulation of the ITS Directive that will be revised by the Commission before the end of the year);
- the **governance and content of the obligations** attached to MDMS will be set out in a stand-alone legislation that the Commission is currently working on ([here](#)) and that should be ready by early 2023.

The multiplication of legal texts is not good news. It does not help the sector understand the objectives nor will it help in the future to ensure compliance. It is a badly kept secret in Brussels that no one fully understands what is going on. The Commission has yet to decide one way or another on the direction the future stand-alone legislation will take. The consultants entrusted with the task of drafting the impact assessment have prepared a questionnaire for the sector (available [here](#) until May 13<sup>th</sup>). However, whether this questionnaire actually clears anything up or confuses them further remains to be seen.

### **Digital Services Act: Council and European Parliament reach a provisional agreement**

After three years of negotiations, the Council and the European Parliament reached a provisional agreement on the final version of the the Digital Services Act (DSA). It will therefore soon be published in the Official Journal of the EU. The full press release is available [here](#). The Digital Services Act is one of the many cross-sectoral acts that could have an impact on the EU legal framework for MaaS systems depending on how the future sectoral obligations are drafted. Indeed, the DSA's aim is to protect the digital space against the spread of illegal content, and to ensure the protection of users' fundamental rights. As such it applies to all online intermediaries providing services in the EU, including MaaS. However, not all obligations will apply to our sector as platforms with under 45 million monthly active users in the EU will be exempted from certain new obligations. More information on the DSA is available [here](#).

### **PSO Guidelines – presentation in the European Parliament**

Work on the revision of the PSO Regulation interpretative guidelines does not seem to have progressed at Commission level. In the sector and among political representatives of the Member States and EU citizens, growing concern has been expressed at the consequences the current proposal for a revision of the guidelines could have on sustainable mobility services. Indeed, UITP alongside six other European associations, is set to publish early May, a joint statement on how the Commission must avoid at all costs hindering the public transport's sector ability to deliver Green Deal goals. In order to do so, it must avoid undermining the legal framework for public transport organisation.

Moreover, some national permanent representations in Brussels have sent written feedback to the Commission to sound the alarm on the current proposal. Finally, Members of the European Parliament have requested the European Commission come and present its plans regarding the guidelines during the next meeting of the Tourism & Transport Committee (TRAN) on May 17<sup>th</sup> at 10 am. The live feed of the meeting will be available in due time [here](#). It now remains to be seen what the European Commission will do with all this feedback and how long it will be able to withstand the demands of the sector to revise its proposal.

### **Transport Accessibility Discrimination Database**

The European Disability Forum ([EDF](#)) launched earlier this year, an online tool that allows passengers everywhere in Europe to report instances of accessibility discrimination for any transport mode. The website is available [here](#). According to EPF, the main objective of the website is to collect the necessary data to prove that accessibility discrimination is still commonplace on transport services across Europe and to convince national and European policy-makers to take the right steps in preventing these situations from arising.

One of the main issues however with this database is that it is presented in a way that allows for a comparison of the number of cases between transport modes. Public transport being the mode of transport most frequently used, it may be identified as particularly problematic simply on that basis. Furthermore, there seems to be no remedy opportunity set up for an operator to have an incident removed from the database. There is also no possibility for indicating whether an alternative solution is in place, e.g. a dedicated transport service. In addition, there seems to be no option to "tag" the incident as "closed" or "solved", events will appear perpetually as "pending".

UITP will be meeting soon with EDF to discuss this new initiative and would welcome your input and main comments on this topic.

## Understanding the EU better – the Treaties

The EU can seem quite far away at times, the legislative procedure can seem obscure and the jargon impenetrable. This is why, every month, we take a closer look at one of the cogs in the EU machinery, in relation with a relevant piece of EU legislation for the public transport sector.

This month, we take a closer look at the founding Treaties of the EU, their importance and which principles can be used in our sector most efficiently for lobbying purposes.

### **What is a Treaty in EU law?**

Treaties are cornerstones of the EU and are at the top of the legal pyramid. They are the EU equivalent of a constitution. All EU institutions, the power they have and the main principles of EU law, derive from the Treaties. They are the source from which every other legal norm (Directive, Regulation, Court ruling, etc) obtains its value.

### **What are the current Treaties of the EU?**

The latest and currently in force fundamental text of the EU is the Lisbon Treaty. The Lisbon Treaty, adopted in 2007 and in force since 2009 is actually made up of two separate treaties: the Treaty on European Union ([TEU](#)) and the Treaty on the Functioning of the European Union ([TFEU](#)).

### **What are the main principles enshrined in the Treaties that apply directly to our sector?**

The Lisbon treaty's main success was to clarify which powers belong to the EU (the "exclusive competence"), which ones belong to the Member States and which ones are shared.

Transport, as was mentioned in previous newsletters, is a shared competence.

When it comes to shared competences, there are guiding principles enshrined in the Treaties that the EU must respect when deciding whether or not to exercise them: **the principles of subsidiarity and proportionality. These principles allow the EU to distinguish between the existence of a competence and the use of such a competence.**

The principle of subsidiarity dictates that:

*"in areas which do not fall within its exclusive competence, the Union shall act only if and in so far as the objectives of the proposed action cannot be sufficiently achieved by the Member States, either at central level or*

*at regional and local level, but can rather, by reason of the scale or effects of the proposed action, be better achieved at Union level.» (article [5\(3\) TEU](#))*

In the context of the transport sector, it has often meant that **urban transport has been left to the competence of the Member States** by virtue of the principle of subsidiarity. The EU has tended to legislate more in the aviation, maritime, rail and international coach sectors as their scale warrant EU intervention more than urban transport does.

However, in the past few years, the EU has started to pay more and more attention to the urban transport sector, especially as cities have shown leadership in the fight against climate change. More and more legislative initiatives have had an impact on urban public transport and the past couple of years has seen the publication of [Smart and Sustainable Mobility Strategy](#) and more crucially of the [Urban Mobility Framework](#).

### For more information

To better understand the Lisbon Treaty, the European Parliament has an extensive factsheet on its website [here](#). An overview of all of the founding agreements of the EU is available on the EU's general website [here](#).

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### Events

- **3<sup>rd</sup> May : Stakeholder Consultation on the CoR opinion "Guidelines for the development of the trans-European transport network (TEN-T)"**

In the context of the European Commission's proposal for a revision of the TEN-T regulation (here) published alongside the Urban Mobility Framework in December 2021, the Committee of the Regions is working on its own contribution to the work being done in the Parliament and the Council. It is therefore organising a stakeholder consultation on May 3<sup>rd</sup> to discuss its own [opinion](#) on the proposed revision of the TEN-T guidelines. Registration is possible [here](#).

- **10<sup>th</sup> to 12<sup>th</sup> May 2022 : IT-TRANS**

IT-TRANS is the leading International Conference and Exhibition focused on IT solutions for Public Transport. The 2022 edition of IT-TRANS will place in person and online from 10 to 12 May 2022, in Karlsruhe, Germany. The event will welcome decision-makers and industry experts in the public transport sector to exchange, discuss and redevelop digital solutions. More information on how to register and on the programme itself is available [here](#).

- **18<sup>th</sup> to 20<sup>th</sup> May 2022: ITF Summit 2022**

The [OECD](#)'s International Transport Forum organises every year in Leipzig, Germany, a summit that gathers national ministers and high-level participants from the participating OECD countries around a particular theme. The theme for 2022 is "Transport for inclusive societies". Discussions shall focus on the physical and social dimensions of accessibility and new mobility and how to promote resilience and fairness within the transport market. All the relevant information is available [here](#).

- **30<sup>th</sup> May 2022 : ITS Congress**

ERTICO - ITS Europe is a public-private partnership with companies and organisations representing service providers, suppliers, the traffic and transport industry, research institutions and universities, public authorities, user organisations, mobile network operators, and vehicle manufacturers. Every year, Ertico organises the ITS Congress dedicated to all things ITS-related. This year, the exhibition will take place in Toulouse, France, from 30<sup>th</sup> May to 1<sup>st</sup> June. The programme is available [here](#).

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### **Publications**

- **UITP – Contracting and Tendering in Covid Times. Lessons Learned From the Crisis, Dealing with Long Term Challenges, October/November 2021**

A new UITP report looks at the way four major Public Transport Authorities in Europe – Västrastraftik in Gothenburg, Vervoer Region Amsterdam (VRA), Transport for London (TfL) and the Àrea Metropolitana de Barcelona – have used contracting and tendering to navigate the COVID19 crisis, but also to deal with two major long-term challenges: the energy transition of bus fleets, and the integration of new mobility services. The report is available [here](#).

- **ASSURED Consortium - An overview of clean buses in Europe**

The ASSURED Clean Bus Report is one of the key outcomes of the EU-funded project ASSURED, which ran from 2017 to March 2022. The publication provides an **updated overview of the European market for clean buses and compares clean vehicle figures of 2017 and 2021**. It also highlights the major progress the sector has made in terms of the electrification of public transport. The report is available [here](#).

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### **Not a UITP member yet?**

As a UITP member, you can share knowledge with a network of more than 200 public transport authorities worldwide. Read more at <https://www.uitp.org/membership-benefits> or contact Camille Roy in UITP: [camille.roy@uitp.org](mailto:camille.roy@uitp.org)

Any questions? Please contact me at [annabelle.huet@uitp.org](mailto:annabelle.huet@uitp.org)

Kind regards,  
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