News from Brussels – March 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).

Russia's invasion of Ukraine

State Aid

On March 23rd, the European Commission adopted a Temporary Crisis Framework 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. Indeed, the sanctions adopted so far at EU level have taken a toll not only on the Russian economy but also on the European one. The economic impact of the war must therefore be mitigated and the Temporary Crisis Framework is one of the many tools at the Commission's disposal that allows it to ensure Member States have the necessary flexibility in this situation. In practice, the Temporary Crisis Framework provides for three types of aid:

- "Limited amounts of aid: Member States will be able to set up schemes to grant up to €35,000 for companies affected by the crisis active in the agriculture, fisheries and aquaculture sectors and up to €400,000 per company affected by the crisis active in all other sectors. This aid does not need to be linked to an increase in energy prices, as the crisis and the restrictive measures against Russia affect the economy in multiple ways, including physical supply chain disruptions. This support can be granted in any form, including direct grants.
- Liquidity support in form of State guarantees and subsidised loans: Member States will be able to provide (i) subsidised State guarantees to ensure banks keep providing loans to all companies affected by the current crisis; and (ii) public and private loans with subsidised interest rates; [...]
- Aid to compensate for high energy prices: Member States will be able to partially compensate companies, in particular intensive energy users, for additional costs due to exceptional gas and electricity price increases. This support can be granted in any form, including direct grants. The overall aid per beneficiary cannot exceed 30% of the eligible costs, up to a maximum of €2 million at any given point in time. When the company incurs operating losses, further aid may be necessary to ensure the continuation of an economic activity. To that end, Member States may grant aid exceeding these ceilings, up to €25 million for energy-intensive users, and up to €50 million for companies active in specific sectors, such as production of aluminum and other metals, glass fibers, pulp, fertilizer or hydrogen and many basic chemicals."

For more information on the new Temporary Crisis Framework for State aid, the European Commission's press release is available in full <u>here</u>.

UITP actions

UITP is compiling and publishing its members' actions in the context of the war in Ukraine on a dedicated webpage <u>here</u>. Should you wish to feature on the webpage please do not hesitate to contact me. Moreover, UITP has taken certain actions following the invasion of Ukraine that were made public early March on its website <u>here</u>. These include the temporary suspension of the involvement of all Russian and Belarusian members in UITP activities until further notice.

European Commission

The European Commission set up a website gathering information for people fleeing the war in Ukraine and coming to the European Union (<u>here</u>). It includes information on free travel options offered by European transport companies.

If you have any initiatives within your own country to provide free public transport travel or other initiatives that are not listed, please don't hesitate to send them either directly to the Commission or to UITP.

EU legislation and initiatives

March was overshadowed by the war unfolding in Ukraine. Most of the EU institutions' activities were aimed at responding to the crisis and very few new initiatives came to light.

Review of the Driving Licence Directive –online stakeholder consultation

Within the context of the revision of the current Directive on driving licences dating back to 2006, the European Commission recently published an online stakeholder consultation (<u>here</u>). The deadline for responses is 20th May 2022.

UITP will respond to the EU questionnaire in line with the points mentioned below. In addition, the position will be completed with available figures about the hiring needs of drivers.

- a reduction of the minimum age to 21 years in the EU Driving licence directive for categories D(DE) without any km/line limit;
- any Member State should also be able to authorize to drive within its territory as from the age of 18 without any km/line limit - in other words: the limit of 50 km line should be removed;
- introduction in the EU Driving licence directive of the possibility for workshop employees holding a C driving licence to move buses without passengers (for transfer or test drives for example).

Should you wish to contribute to UITP's response to the public consultation and overall position on this topic, you can (if you have not already done so) respond to the dedicated survey <u>here</u>.

Pilot Project – Effect of Energy-efficient and Solar Power Generating Vehicles on Overall Energy Demand in the EU Transport Sector

The European Commission recently launched an open procedure for the award of a public contract for a study on energy-efficient vehicles. The general objective of the study is to provide the Commission with a robust evidence on the effect and possible European-wide deployment of energy-efficient and solar power generating vehicles on overall energy demand in the EU transport sector. The study is expected to deliver a comprehensive comparison of different use cases, based on field tests, and onboard installation of PV panels, that shall help to discern the potential costs and benefits of on board solar energy generation for electric vehicles and its potential commercial viability. The tender is available <u>here</u>.

Tampere (Finland) – winner of the 10 th Award for Sustainable Urban Mobility Planning

Tampere's Sustainable Urban Mobility Plan (SUMP) won the 2021 award for sustainable urban mobility planning. The award underlined the city's multidisciplinary approach helping people make healthier mobility choices that are active, safe and environmentally responsible. The ambitious plan includes impact assessments on the effect of mobility campaigns on the local population, as well as a focus on low-carbon mobility, road safety, vulnerable groups, smart mobility solutions, physical and mental well-being, accessibility and low pollution levels. Together with its educational unit, the mobility unit of the City of Tampere is already testing various pilot actions like active school trips by bicycle, on foot or by scooter, zebra crossing campaigns, and also highlighting the fundamental role of mobility in the creation of quality urban spaces.

The other finalists were Madrid (Spain) and Mitrovica South (Kosovo). More information on the campaign is available <u>here</u>.

Understanding the EU better – powers of the Members of the European Parliament (MEPS)

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 powers of Members of the European Parliament (MEPs). What can they do - what powers do they hold individually and as political groups? This will allow us to illustrate the importance of maintaining good relations with your national MEPs.

From a historical perspective, it is essential to restate the fact that MEPs today have very different powers to the ones they held only 40 years ago. Indeed, the founding Treaty of the EU (the Rome Treaty) gave only a very limited role to the European Parliament: it had the right to be consulted, and even then, only on a small number of matters. Subsequent treaties all progressively gave the European Parliament more powers culminating, with the Maastricht Treaty in 1992, in the introduction of the co-decision procedure that gave equal powers in the legislative procedure to the Council and the European Parliament.

The ordinary legislative procedure

Since the Maastricht Treaty, MEPs have been able to play a more central role in EU decisionmaking as co-legislators. Therefore the first, and most direct way for an MEP to act is to become a member of one of the Committees of the European Parliament, then bid to become a rapporteur on a legislative file, put forward amendments, and work towards a compromise with the other groups. This is what one might call the more traditional legislative role of MEPs. Some MEPs will have more power than others : these will include the rapporteur, shadow rapporteurs, the Chair of a Committee, or President of a political group. MEPs have other formal powers that they can deploy at any time but two in particular stand out for lobbying purposes: they can table what are called "own-initiative reports" and they can ask questions to the European Commission.

Own-initiative reports

The Commission is for all intents and purposes the sole institution with the right of legislative initiative. This means that contrary to what might exist at the national level, the European Parliament and its members do not have the right to propose legislation (there are some exceptions but these are extremely limited).

Own-initiative reports are a non-binding, non-legislative tool that allows MEPs to nonetheless signal to the Commission what direction they would like a particular topic to take, or which area they would like the Commission to legislate in. MEPs sometimes adopt an own-initiative report during the consultation / impact assessment phase of a future proposal for a legal act in order to set out their priorities on the subject. This will often be the case for high-profile legal proposals such as for instance, the Digital Services Act only recently.

Questions to the European Commission & committees of inquiry

This is also known as the supervisory power of the European Parliament, principally aimed at the Commission. MEPs can ask Commissioners any question of their choosing and on any topic they wish. The Commission is <u>required</u> to reply to oral and written questions from MEPs.

The European Parliament can also set up a Committee of Inquiry to look into violations of EU law by Member States. The relevant <u>article</u> in the Treaties states that:

"In the course of its duties, the European Parliament may, at the request of a quarter of its component Members, set up a temporary Committee of Inquiry to investigate [...] alleged contraventions or maladministration in the implementation of Union law [...]."

Dismissal and appointment of the European Commission

Finally, a third, and perhaps more specific and exceptional power of the European Parliament is the power to appoint and dismiss the European Commission. Indeed, the European Parliament elects the candidates put forward by the European Council for the European Commission, by a majority of its component members. Prior to this election, the European Parliament committees question nominated commissioners about their designated area.

The European Parliament can also censure the Commission and ultimately dismiss it (the relevant Treaty article is <u>here</u>). So far, none of the eight motions of censure brought before Parliament have ever been adopted.

For more information on the European Parliament's powers and procedures, you can visit the dedicated website <u>here</u> as well as the official Statute for MEPs here.

Events

• 19th April : Second public workshop on the initiative on Multimodal Digital Mobility Services

On 19th April (14:00-17:00 CET) the Commission will organise a stakeholder workshop (videoconference) on the ongoing impact assessment on the initiative on Multimodal Digital Mobility Services (MDMS). In this workshop, the Commission and the contractors for the support study (led by Ricardo), will present the state of play of the support study and will focus on the emerging draft policy measures and policy options. If you are interested in participating in the workshop, please register here by 18th April.

• 10th May 2022 : Cross-Border Tourism in Europe

The European Committe of the Regions is organising a hybrid event in May on Cross-border tourism in Europe. Registrations are now open on this <u>link.</u> The deadline for registrations is 1st May 2022. The programme in full is available <u>here</u>.

• 10th to 12th 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.

Publications

• UITP – Policy Paper 'EU Funds and Financing for Resilient Local Mobility'

This UITP Paper offers key priorities and recommendations on EU funds and financing. It also zeroes in on all major EU funding and financing streams, **helping stakeholders understand the EU financing architecture for sustainable and smart local mobility**. The COVID19 pandemic has demonstrated that passenger transport is an essential and common good we all have to preserve. Hit by a double meltdown of revenues and ridership, local public transport is in dire need of sound and sufficient funding streams. EU support remains vital in addressing the public transport sector's sustainability and digitalisation challenges, while at the same time meeting growing passenger expectations and demand. The policy paper is available in full here.

• ITF - Reporting Mobility Data: Good Governance Principles and Practices

After many consultations of sector experts, the International Transport Forum of the OECD has recently published a report on Mobility Data looking at good governance principles and practices. This report, available here, explores the issues public authorities must address when establishing data-reporting mandates and policies. Transport systems and the people using them generate an ever-increasing amount of data which can help improve transport system performance. The risks from missing or overly broad reporting policies can be mitigated by following reporting guidelines and principles that focus on the public value of data.

• CoR opinion - Towards zero emission road transport: Deploying alternative fuels infrastructure and strengthening CO2 emission performance standards

End of January 2022, the Committee of the Regions adopted a report (here) wherein it welcomes the intention to address vehicle emissions standards in order to achieve the objective of carbon neutrality. Cars and vans represent the biggest share of CO_2 emissions in transport in absolute terms, and average emissions from internal combustion engine cars are rising. The report considers that, as things stand, the EU's existing obligations relating to recharging and refuelling infrastructure requirements are not sufficient. It therefore:

"urges the Commission to establish a "European Mechanism for a just transition of the automotive sector and regions" which should draw on European funds and make sure it addresses challenges in the regions most affected by the transformation and reaches all SMEs in the supply chain to adapt to the changes in the automotive value chain."

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 <u>https://www.uitp.org/membership-benefits</u> or contact Camille Roy in UITP: <u>camille.roy@uitp.org</u>

Any questions? Please contact me at annabelle.huet@uitp.org

Kind regards, Annabelle