



## EUROCITIES STATEMENT ON FINANCING URBAN MOBILITY IN THE FUTURE

EUROCITIES urges the European Commission to take into account the following recommendations when reviewing the EU budget in 2011.

### SUMMARY OF RECOMMENDATIONS:

- **Dedicate specific financial support to cities**
- **Promote decarbonisation of transport in cities to achieve climate change and other objectives shared by the EU, Member States and cities**
- **Improve EIB funding for mobility in cities**
- **Target EU financial support to:**
  - **A modal shift towards more sustainable modes of transport in urban areas**
  - **Research and demonstration projects for urban mobility**
  - **Urban links in TEN-T**

How we shape the future of transport will be decisive for how sustainably Europe develops in the future. With more than 75% of the EU population living in cities, sustainable urban mobility will be a vital strategic objective for the EU. As the Green Paper 'Towards a new culture for urban mobility' points out, cities are also powerhouses of Europe's economy. Transport networks provide the connectivity that maximises the economic performance of urban areas and distributes the benefits of this performance, not least in terms of jobs and wealth creation.

Meeting the growth in demand for urban public transport from increasing populations and modal shift from private cars will require considerable investment both in new infrastructure and the upgrading of existing ones, including tram and metro systems, some of which have been starved of investment over many decades. Cities are already keen to harness investment revenue streams from transport users of all modes. But the EU has an important role to play in providing and facilitating funding for urban mobility both in contributing to EU 2020 objectives and ensuring that best practice is spread amongst cities.

In view of the upcoming negotiations on the EU financial perspectives for 2014-2020 and the associated funds and programmes, we call on the EU institutions to take the following recommendations into consideration when designing and allocating the future EU budget.

**Recognition of urban transport in EU policies should be  
accompanied by EU financial support**

We welcome the European Commission's recognition of the importance of the local level within the transport chain. Measures such as the adoption of an EU Action Plan on Urban Mobility, the recognition of the urban level in the EU work on the new White Paper on transport, the

establishment of an EU Urban ITS Advisory Group as well as the TEN-T Expert Groups' conclusions, have all contributed to recognising and demonstrating urban areas as nodes of high strategic and economic importance in the EU.

Investment in urban public transport is a catalyst for wider economic regeneration and development contributing directly to Europe's 2020 strategy. Improving connectivity can help improve access to jobs, education and other social and cultural amenities, and can contribute to increasing the prosperity of local communities. It is essential that this contribution is recognised and supported financially. Support should be made available at EU level to help cities meet these objectives, which include:

- Decarbonising transport to contribute to climate change goals, in particular by encouraging modal shift in urban areas to public transport, walking and cycling
- Supporting economic development
- Increasing resilience in the face of extreme climate events and other threats to security
- Enhancing quality of life, in particular by improving air quality, noise levels and promoting the health benefits of walking and cycling
- Improving transport security and road safety
- Improving connections between urban areas and the TEN-T

Support for a package of measures to implement sustainable mobility solutions would enable cities to focus on delivering the Europe 2020 goals. We believe these measures should be centred on:

- An integrated approach which combines land use planning with transport investment and other social, economic and environmental policy goals
- Support for research and demonstration projects
- EIB funding for technical assistance, loans and other financial contributions to attract other public and private investment

EU financial support is of course complementary to national investments. National investments must be the core foundation of infrastructure policy, even for urban transport, and Member States should further support cities in meeting urban mobility challenges.

### Financial support to decarbonise urban transport and encourage a modal shift towards more sustainable modes of transport in cities

We are convinced that a coherent European approach is needed to meet strategic EU goals, including the climate and energy package, the Covenant of Mayors and air quality obligations,. However, real progress will only be made with modal shift towards more sustainable transport modes in cities.

An EU transport strategy should take into consideration our increasingly mobile population and act to raise community awareness of and allocate funding to the promotion of the need to travel more sustainably, including by promoting cycling and walking, which also has health benefits.

It should also contribute to making collective public transport more attractive and a genuine alternative to single private transport. This would involve improving safety and security as well as spreading best practice in provision of urban passenger rights. Local authorities need as much flexibility as possible in the legal framework for urban transport, for example in preserving the right to in-house provision of public services.

EUROCITIES supports the EU Road Safety Action Plan and, while acknowledging recent progress

made in many Member States, agrees that much more effort is required to reduce the level of casualties. As more and more cities attempt to encourage walking and cycling, there will be a greater focus on road safety, perception of which may affect greater take up of these soft modes of travel. Funding for investment in innovative methods of improving road safety will continue to be required. Actual and perceived levels of security in urban areas, relating to the whole range of issues from petty crime to international terrorism, in particular on public transport, also need to be addressed and funding is required to do this. Substantial further investment in urban transport systems is also necessary to mitigate the effects of climate change and protect against more frequent and more extreme weather events including flooding and tidal surges and extremes of heat and cold.

## Dedicated EU funding for urban links and feeder lines to the TEN-Ts

The Trans-European Transport Networks (TEN-Ts) have been successful in helping fund a large number of pan-European transport projects, interconnecting national networks and overcoming technological barriers. What is sometimes forgotten is that many of the trips carried out on the network begin and end in urban areas yet there has been minimal investment from community sources in developing these interchanges.

Investment in these start and end points should be considered in association with the TEN-Ts themselves. High quality and efficient interchanges can promote sustainable transport for the length of a trip and thus support modal shift policies. For freight, urban areas are often bottlenecks both because of the hub-and-spoke design of networks and because freight has to compete with passenger traffic. Further investment is required to ensure that freight can move efficiently through cities or effectively bypass them.

Cities have to be involved in the development of TEN-projects so that they can implement their know-how of creating a broad public understanding and acceptance. The EU has to recognise the role cities have to play as mediators in the process of the implementation of large controversial infrastructure projects. We would therefore call for a focus on facilitating the connection of urban interchanges to the TEN-Ts.

## EU research and demonstration projects

EU research programmes (FP7 and its successor programme) should prioritise the development of energy efficient collective transport and zero/low carbon road vehicles. Particular support should be given to the development of new concepts to facilitate the mobility of citizens in agglomerations, focusing on pedestrians, cycling and public transport.

In many cities, passenger cars are still a major mode of travel and it is essential that efforts are made both to encourage practical and technological methods of encouraging modal shift to more sustainable modes and, where car use is unavoidable, to reduce emissions. Intermodal approaches or concepts on the urban distribution of goods may include the promotion of clean vehicles (e.g. hydrogen or electric).

EU research should include a high proportion of demonstration projects to showcase to citizens the practical development of EU research and to act as a catalyst to the wider take up of new technologies. In particular support should be given to the development of smart grids in cities and bringing to market low-carbon vehicles such as electric cars and the widespread take up of hybrid and low emission buses.

The expansion of electric rail systems has to be supported too. The use of trams and electric heavy rail trains are an important contribution to reducing greenhouse gases and particulate pollution in urban centres, if an adequate supply of renewable electricity is guaranteed. A

European supporting programme for intelligent network and storage techniques is necessary. Research should also aim at enhancing and improving water transport, both from sea ports to inland terminals and within urban areas via canals. The research should also focus on ship engine technologies.

Greater energy efficiency in the delivery of services may be achieved from innovative intelligent transport systems (ITS). Such innovative projects can only progress beyond small scale pilots if supported by EU funding in the form of larger scale demonstration projects. The focus of user services provided by ITS should not just be about supporting motorists but must also support travellers in choosing environmentally-friendly modes and increase the efficiency of logistics. Much more could be done at EU level to make sure that information is widely available on local schemes, such as low emission zones and road charging schemes. As cities embrace ITS in areas such as ticketing and contactless technologies, support from the European Commission will help deliver simple and convenient interoperable mobility for all citizens. This should include passenger information systems and integration of cross border public transport systems.

### Expansion of EIB funding products for cities

Given the scale of investment required to upgrade urban transport systems and in particular given the current difficulties with the banking system, the role of the European Investment Bank in providing and facilitating financing is essential and indeed should be expanded. We would welcome further development of different financing models, for example leasing (e.g. for rolling stock or buses), equity / mezzanine financing, as well as senior debt. Similarly cities would benefit from a willingness by the EIB to fund smaller transactions rather than those costing hundreds of millions.

Nevertheless, it is important that the capacity of cities, in terms of resources and skills, to take advantage of new forms of financing is taken into account. It is important that the commission and the EIB consult cities as new strategies are being developed, communicate the possibilities broadly and provide or fund technical assistance to enable cities to benefit from the support on offer.