



Comments on the Sustainable and Smart Mobility Strategy

BusinessEurope supports the overall goals and aims of the strategy: to master the twin green and digital transitions aiming at significantly reducing CO2 and pollutant emissions; improving efficiencies across all modes of transport; enhancing digitalisation, automation and connectivity.

It is crucial to achieve a fully interconnected all-modes-of-transport system which ensures well-functioning transport systems and infrastructure that supports high mobility in the EU. It is also particularly important that the European transport-related industry deals with the innovations in a timely and creative manner and does not lag behind the development of new technologies outside Europe.

Without entering in the discussion on specific provisions or specific transport sectors in this position paper, BusinessEurope wants to highlight the main topics that need to be kept in mind during the deployment of the strategy in the coming years.

KEY MESSAGES

- > National Recovery and Resilience Programs of Member States should substantively contribute to EU funding programmes, so that **support to infrastructure, research, development, and deployment** is increased and effectively helps to sustain the European Green Deal objectives.
- > EU needs more suggestions regarding the **completion of the Single European Transport Area**, overcoming imbalances and ensuring that there are Single Market frameworks which indeed open up cross-border opportunities for and between the different modes of transport.
- > The **principle of technological neutrality** should be addressed as a main driver throughout the strategy implementation and all existing and future technologies should be leveraged in a cost-efficiency criterion; internalization of all external costs should be based on fair, simple, proportionate, and transparent calculations.
- > Transport digitalization measures should be accompanied by a **clear definition of responsibilities** as well as solutions for **interoperability of systems** between countries and different modes of transport.
- > Intentions to create a European Mobility Data Space are welcome but demanding **greater coordination of the various initiatives** currently taken by various DGs and a stronger focus on the Single Market and competitiveness.



1. *Financing*

Infrastructure is an essential precondition for a high level of mobility of people and goods in the EU. It is important to emphasize the existing investment gap in transport infrastructures which is slowing the completion of the TEN-T network and other transport infrastructure projects to improve connectivity, co-modality, sustainability, and urban mobility as well. The Covid19 crisis is undermining investment further very heavily, yet also giving an unprecedented opportunity to reconsider the mix of allocations of funds to the different modes of transport so that they come out of the crisis much stronger than before.

Investment must be prioritised, primarily within EU funding programmes as stated in the strategy, but in order to achieve the intended goals, it is essential to foster both public and private investment at national or regional level, namely within the public budgets and through mechanisms that facilitate private funding sources. National Recovery and Resilience Programs of Member States should substantively contribute to this effort.

Financial resources for the transport sector should also be increased in order to enhance its competitiveness and to ensure current and future employment in the sector. To this end, EU policy should support more research, development, and deployment funding for transport modes to sustain the ambitions in line with the European Green Deal climate objectives, including the automation and digitalisation of transport and logistics. All companies, especially SMEs, should be assisted financially to help them reach their climate ambitions. Moreover, it will be important to invest also in education and training, in large-scale upskilling and reskilling programmes, in order to bridge and prevent further skills gap between the future needs of the transport sector and the current European workforce.

Strategic coordination at EU level needs to be strong, while transparency and accountability is ensured. It is also crucial that a very close dialogue on coordination of investment to other network industries (telecommunications, energy), as core enablers that are becoming more and more inter-dependent, is guaranteed.

2. *Multimodality*

We support the goal of the Commission for a multimodal system, where different forms of sustainable transport services - both traditional and innovative ones - are integrated creating synergies and enhancing a well-functioning and balanced supply-demand market.

It is important to make use of the strengths of the individual modes of transport and potential of the Single Market in a climate-optimised interplay promoting the optimum mix of modes for transport operations, including public as well as private transport.

As prerequisite for multimodality, all the relevant infrastructures must be equally considered: the European strategy must ensure that, while promoting rail freight transport, also investments to upgrade the performances of road, inland waterway, seaport and airport infrastructures must be guaranteed.

Using all the different choices available will be key for building a multimodal system with enough alternatives to cover all needs and new mobility habits. Cities are facing growing challenges around congestion, urban space, air quality, noise, liveability and social inclusion. The promotion of diverse, innovative and sustainable mobility modes in urban areas, including



shared and collaborative mobility services, should be encouraged in order to improve quality of life, health, and wellbeing of EU citizens. Policies should encourage the creation of green corridors, as sustainable infrastructures to connect urban green spaces with large peri-urban green area, while promoting systemic innovation and collaboration between urban mobility stakeholders.

The strategy should provide more suggestions regarding the completion of the Single European Transport Area, overcoming imbalances and ensuring that there are Single Market frameworks which indeed open up cross-border opportunities for and between the different modes of transport. It is paramount that all modes of transport adapt to an open market context and develop a maximum of sustainability, efficiency and interaction between modes.

3. *Neutrality*

The Transport sector is facing a major shift towards alternative fuels and electrification. The strategy must support this development and the principle of technological neutrality should be addressed as a main driver throughout the strategy. All the technologies should be leveraged in a cost-efficiency criterion. Incentive and financial investment programs – public and private – should be therefore inclusive with any of the technologies available: at this time, all technologies are valid and complementary. In this spirit, sustainable mobility solutions should be promoted across transport sectors, rather than prescribing or restricting their application to individual transport modes.

On a similar note, the aim of internalizing all external costs by 2050 must apply equally to all modes of transport. To this end, the calculation of external costs and the monetary measures should be fair, simple, proportionate and transparent. Revenues charged for use of transport infrastructure should be earmarked and reinvested into transport infrastructure development and in reducing external costs.

Also, policy makers and industry should work towards a methodology for CO2 emissions criteria covering the overall well to wheel perspective. This could complement the tank-to-wheel metric by increasing awareness and transparency on all the environmental impacts in the value chain for energy producers and distributors, suppliers, manufacturers and consumers. It is essential that stakeholders are continuously consulted to evaluate the possibility of developing a common and robust lifecycle assessment methodology.

From this strategy, the concrete implementation steps must follow, laying out clear and consistent pathways regarding the ramp up of alternative fuels and drivetrains. These pathways should take into account both direct electrification and alternative sustainable fuels and set clear milestones, including an analysis of how to meet the substantial investment needs for all modes of transport. These actions must be underpinned by adequate measures to build up the necessary infrastructure for alternative drivetrains and fuels, as well as demand side incentives to increase the number of zero- and low-emission vehicles, vessels, airplanes, trains.



4. Digitalisation

Digitalisation and smart mobility will modernise transport and logistics services, offer vast opportunities and are key for addressing many of the challenges it faces. Digitalisation may be the ideal way to promote responsible use of new technologies by all actors in the market: companies, institutions, and consumers. It is essential to drive transport digitalisation through a comprehensive approach and definition of responsibilities, further promote research and development, enable investments in digital infrastructures for all modes of transport. All companies must be able to compete in the digital economy on fair terms, with the improvement of the rollout of digital technologies and business opportunities in the transport sector. It is essential to ensure interoperability of systems between countries and different modes of transport, taking into account the different levels of digital maturity of each transport mode.

The digital dimensions of mobility are evolving very quickly, and the digital sector faces high competition from other parts of the world. An agile rule-making process would provide legal certainty for market players and prevent the adoption of a patchwork of national rules, taken by Member States to support faster deployment of innovative digital solutions, however weakening the possibility to scale. Unequal treatment of actors in the data economy should be avoided and a greater coordination between EU policy initiatives should extend across EU Commission DGs. We therefore support a ramped-up update of relevant legislation at EU and synchronisation of decisions that remain at national level.

Data and connectivity are key to help providing more sustainable transport options, connect them seamlessly and reduce bottlenecks. We welcome the Commission's intention to create a European Mobility Data Space. Doing so, we would appreciate a greater coordination of the various initiatives currently taken by various DGs to improve the availability of mobility data and a stronger focus on the effects on the Single Market and competitiveness. Moreover, it is important to ensure the active cooperation of actors on the market and the fully involvement of transport and mobility industry in the process, to avoid excessive regulation and to build the future Mobility Data Space upon successful data sharing practices.

In addition, questions of data protection and security must be clarified at EU level. The EU should support member states in harnessing data for innovation, efficiency gains and CO2 savings. Access to mobility data from the public sector must be improved at all levels. For example, data from transport modes, infrastructures and intelligent buildings, combined with other data sources, hold potential for optimised traffic flows and highly CO2-relevant efficiency improvements. Policymakers must enable transport infrastructure operators, especially federal states and municipalities, to collect static and dynamic data and make it available as far as possible and reasonable, taking into account their special funding needs.

The development of national data spaces for mobility must secure and strengthen the competitiveness of businesses, promote intermodal travel and information chains, enable marketplaces for easy and fast data exchange, strengthen incentives for investments in data collection and data quality and promote the use of digital twins, data-based services or new business models.

The establishment of voluntary platforms for the exchange of data must be promoted, which considers the interests of actors, while respecting the market economy. Platforms will also play an increasingly important role in the field of logistics and in the interlinking of logistics and industrial value creation.