

The Consumer Voice in Europe

BREAKING OUT OF FOSSIL-FUELLED MOBILITY

How consumer policy can help clean up transport in Europe



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Why it matters to consumers

Consumers are locked into a mobility system – centred around fossil-fuelled transport – which is bad for the planet, their health, their wallets and their general quality of life. Many would be willing to change their habits: using public transport instead of their own cars to go to work or taking the train instead of a plane to reach a holiday destination. Unfortunately, consumers are often not given the possibility to do so as alternatives are unavailable, unaffordable or not attractive enough. The way we organise our mobility therefore needs to adapt and this requires profound changes, from accelerating the shift to electric cars to making public transport, walking and cycling more attractive to people. With its European Green Deal and upcoming strategy on ‘sustainable and smart mobility’, the European Commission plans several new initiatives in this area. This paper provides the view of consumer groups as to how policymakers can give more consumers access to sustainable modes of transportation.

Summary

To change our mobility system, a wide range of measures need to be adopted involving many different stakeholders:

- **Decarbonise transport:** Consumers need access to more zero and low-emission transport options. The automotive industry should accelerate the transition to electric cars. To achieve this, the EU must increase the level of ambition of the **2025 and 2030 CO2 emission reduction targets for cars** and set a **long-term phase-out date for the sales of petrol and diesel cars**. The use of electric cars should become easier through a denser and convenient **network of charging stations**. **Better information** can be provided to consumers about the environmental performance of their cars through a reform of the car labelling directive. The use of **alternative fuels other than electricity** – advanced biofuels, e-fuels – should be reserved for the transport modes most difficult to decarbonise, such as aviation and shipping. Sector-specific CO2 reduction targets are also required for **aviation and shipping**.
- **Make sustainable choices the most affordable:** Current transport prices do not reflect the impact our mobility choices have on the environment and climate. Price signals – both positive and negative – are an essential tool to ensure the most sustainable modes are also the most affordable and attractive to consumers. An increase in **purchase incentives** can accelerate the switch to electric cars and e-bikes. They should prioritise **less affluent consumers**. Positive price signals should also reward more sustainable behaviour such as car-sharing or the use of public transport. The fuel tax exemption for airlines needs to be ended and an **EU wide kerosene tax** should be introduced of which revenues could be used to **fund more sustainable alternatives such as cross-border rail connections**.
- **Improve the convenience of public transport and rail:** Public transport and rail travel need to become much more attractive to compete with cars and planes for daily and long-distance trips. This requires an **increase of investment**, a **higher quality of service** and **more convenience** for consumers. To achieve this,

passengers' rights need to be strengthened and **single ticketing** should become the norm. Transport operators must also better cooperate through an obligation to **share data** about their tariffs and real time timetables with third parties for the purpose of providing innovative services to consumers (e.g. booking platforms and comparison tools).

- **Rethink urban design to give more space to walking and cycling:** Currently, the distribution of public space is unbalanced with a dominance of individual cars over walking, cycling and public transport. This prevents a modal shift from cars to other types of mobility. Public authorities need to encourage 'active' mobilities and **give more space to pedestrians and cyclists that is safe**. The widespread use of digital technologies and increased popularity of teleworking – especially in light of COVID-19 – can also reduce travel needs and hence impacts. In the longer-term, urban design should be rethought so as to avoid an overreliance on private cars for daily trips.
- **Encourage new mobility services that serve sustainability objectives:** Ride-hailing, car-sharing, e-bikes or e-scooters in free floating all provide alternatives to private car ownership to a degree. **Public authorities must impose some rules** to make sure these services do not merely operate based on business decisions and profitability but also serve broader sustainable urban mobility objectives (for instance shifting people away from private cars, not from public transport or walking). Mobility as a Service should be encouraged through a **wider sharing of data and single payment options**. These new mobility trends also need to be thought for '**non digital natives**'.

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1. Introduction

1.1. The shortcomings of our current mobility system

Many Europeans have no other choice than to use their cars to fulfil daily mobility needs. This is the consequence of decades of planning and economic policies based on the assumption that individual, petrol-fuelled car ownership is the ideal way to move from A to B. In parallel, in the past two decades, other modes of transportation such as aviation and cruise ships, which had long been considered a luxury, have become more available to a growing part of the population. While this has evident benefits in terms of travel possibilities and freedom of movement, it has also become a significant problem for the environment and climate.

The result of these trends is a mobility system which is:

- **Bad for the climate:** Transport is becoming Europe's number one climate liability. It represents almost 1/4 of the EU's greenhouse gas (GHG) emissions and is the only sector which has seen its emissions rise over the last decade. Without bolder action to tackle transport emissions, it is impossible for Europe to meet its climate objectives.
- **Expensive for consumers and for society:** According to Eurostat, mobility costs represent the second biggest spending in households' budgets (13,2%) behind energy and housing¹. This general statistic hides strong disparities between consumers depending mostly on how much they earn and where they live/work. For instance, a French consumer living in an area poorly serviced by public transport

¹ https://ec.europa.eu/eurostat/statistics-explained/index.php/Household_consumption_by_purpose

and who needs to drive 20 km to their workplace will spend around 250 euros/month on fuel and maintenance. In comparison, someone living in Greater Paris and who can rely on a well-functioning public transport service will spend around 40 euros/month for even greater commuting distances². Consumers could therefore save a lot of time and money by shifting to more multimodal and sustainable transport options, but the current system simply does not or insufficiently give them this option. This is also very costly for our society: The European Commission estimated in a recent study that hundreds of billions of euros are spent each year to mitigate the health, climate and environmental impacts of the transport sector³.

- **Lowering the quality of life:** Beyond its effects on global warming, transport also has negative effects on public health. Polluting emissions from traffic are responsible for tens of thousands of premature deaths in Europe each year. Traffic congestion means people spend hours sitting idle in traffic, wasting precious time they could use instead for leisure activities or to meet their friends and families. There is a growing consensus that too much space is dedicated to individual cars, making our lives more difficult especially in densely populated urban areas where space is scarce.

1.2. How can we bring about the much-needed systemic change?

The move to an efficient system less dependent on fossil fuels is one of the greatest challenges of our time. It implies modifying deeply rooted habits, both at individual and at societal level. We need a **combination of behavioural change and systemic/infrastructural change**. Many consumers would be ready to change their mobility habits but are not (or insufficiently) given the possibility to do so. **Alternatives must become available, affordable and attractive**. And the needed policy initiatives should not be construed as restrictive measures, but as opportunities. Many low carbon options, such as cycling or public transport, have knock-on benefits such as improved health, more savings and more free time⁴.

The outbreak of the COVID-19 crisis makes these challenges even greater. Its effects on individual mobility habits, for instance the attractiveness of public transport, could be wide-ranging and need to be managed carefully. We should make sure the health crisis and economic recession do not distract us from the urgent need to tackle the issues mentioned above. Changes such as the increased use of teleworking or need for more hygiene measures in public transport may well become permanent. They must be integrated in the thinking on the future of our mobility system.

Any policy aiming to mitigate transport's negative impacts should therefore be based on three objectives: i) **reduce the overall demand** (for instance by limiting long commutes from home to work), ii) **improve the efficiency** (ranging from fuel efficiency improvements to a better public transport), iii) **shift habits from the most to least polluting modes** (cars to public transport, planes to trains etc.).

Bringing our mobility systems onto a more sustainable path will therefore require **a wide range of policy measures which go beyond traditional transport policies** and involve a great variety of stakeholders.

² <https://www.inegalites.fr/Inegaux-face-a-la-mobilite>

³ "The total external costs of transport in the EU28 are estimated at € 987 billion. This figure only includes congestion costs for road transport, as it was not possible to estimate congestion costs for other modes. In general, the most important cost category is accident costs equating to 29% of the total costs, followed by congestion costs (27%). Overall, environmental costs (climate change, air pollution, noise, well-to-tank and habitat damage) make up the remaining 44% of the total costs. However, large differences exist between transport modes."

<https://ec.europa.eu/transport/sites/transport/files/studies/internalisation-study-exec-summary-isbn-978-92-76-03080-5.pdf>

⁴ SITRA, 1.5 degrees lifestyle.

Ahead of the publication later this year of **a new EU strategy on 'smart and sustainable mobility'**, this vision paper outlines BEUC's recommendations on the measures needed to achieve a systemic change in our mobility systems to the benefit of consumers, the climate and our environment.

2. Decarbonise transport

2.1. Accelerate the uptake of electric cars

While most economic sectors, such as power production and industry, have reduced their emissions since 1990, those from transport have risen. They now account for more than one quarter of the EU's total greenhouse gas (GHG) emissions⁵. Among different modes, road transport is by far the main emitter with around 70% of the GHG emissions of the overall sector. Even if policy initiatives such as CO₂ emission standards for cars can help accelerate the shift towards low and zero-emission vehicles, the battle is far from being won. Road transport is also largely responsible for poor air quality, especially in cities.

Electric cars provide an advantage here, as they emit on average three times less CO₂ than equivalent petrol/diesel cars in their entire lifetime (production, use and end of life)⁶. As several of our members demonstrated⁷, these cars could soon enable consumers to save money on transport costs. While still more expensive than petrol and diesel ones today, their purchase price is rapidly decreasing, and their operational costs are better due to lower refuelling and maintenance costs.

Our French member UFC-Que Choisir showed that, contrary to popular belief, electric cars are not restricted to urban dwellers. They make more sense in rural areas where people tend to drive longer distances and can therefore expect a quicker return on investment⁸.

After years of dragging their feet, it seems the car industry is finally making more electric cars available to consumers, pushed by the entry into force of the 95 g/km CO₂ EU emissions target. Since the beginning of 2020, the market share of battery electric cars (BEVs) significantly increased in key European markets. In France for instance, BEVs represented 8,2% of the total market share last January, up 258% compared with January 2019⁹. Even if the number of sales slowed due to the COVID-19 crisis, the overall share of BEVs remained at much higher levels than one year ago. In March, which was the first month impacted by the COVID-19 crisis, still more than 9% of cars sold in Germany were electric (BEVs and PHEVs).

This trend needs to be amplified. If we want Europe to comply with its climate objectives, all cars in use need to be zero-emission by 2050. Given cars are generally driven for more than 15 years, this means that, at the very latest, the last car equipped with an internal combustion engine (be it petrol, diesel, hybrid or plug-in hybrid) will have to be sold in the mid-2030s¹⁰. As part of its European Green Deal action plan, the European Commission committed to reopen the car CO₂ emissions regulation by June 2021. This would be an ideal occasion to increase the ambition of currently agreed targets and introduce an EU-wide phase-out date for internal combustion engines (ICEs).

⁵ European Environment Agency, 2019: <https://www.eea.europa.eu/themes/transport/intro>

⁶ <https://mailchi.mp/transportenvironment.org/lcatool?e=81e36cb948>

⁷ <http://www.beuc.eu/publications/beuc-x-2018->

[113 when will electric cars be an affordable option for european consumers - a5 format.pdf](#)

⁸ <https://www.quechoisir.org/action-ufc-que-choisir-cout-de-detention-des-vehicules-gare-aux-idees-recues-n59369/>

⁹ <https://www.schmidtmatthias.de/post/france-s-january-ev-boost-a-reflection-of-what-s-to-come>

¹⁰ <https://www.agora-verkehrswende.de/veroeffentlichungen/die-co2-flottengrenzwerte-fuer-pkw-muessen-fuer-das-elektrische-zeitalter-fit-gemacht-werden/>

However, an electric car breakthrough will only happen if consumer needs are met. That is the reason why, in complement with CO2 reduction targets, the EU, its Member States and regional and local authorities must roll out a dense network of easy-to-use charging stations. The upcoming revision of the EU directive on alternative fuels infrastructure (AFID) is an occasion to accelerate our efforts. The new directive should be turned into a regulation, its scope should be limited to zero-emission fuels only (electric and hydrogen) and include binding targets in terms of roll-out of recharging points. The EU legislation must be complemented by much more action at national and local level. Member States, regional and local authorities must accelerate the deployment of recharging points in residential buildings as well as at the workplace, where a major share of recharging will occur.

The car market is experiencing major changes: electric cars are a rising trend and sales processes are increasingly happening online. In this context, providing consumers with clear and comparable information is even more important to help consumers choose vehicles with less impact on the environment. The EU legislation which is supposed to deliver such information – the Directive 1999/94/EC on car labelling – needs to be revised to provide consumers clearer and more relevant information about the cars they are buying.

Finally, we also need to keep tackling the immediate harmful effects of traffic. Petrol and diesel cars will still represent the vast majority of our car fleets for at least a decade and even after that, will be in circulation for another 20 years. This is why the EU should also continue to set efficiency improvement objectives for ICEs and, certainly as important, make sure these cars drastically reduce their pollutant emissions through a new generation of Euro emissions norms.

BEUC's recommendations to the EU:

- Properly enforce the 2020 and 2021 cars CO2 reduction targets.
- The June 2021 revision of the post 2020 cars CO2 reduction targets should be the occasion to i) increase the level of the 2025 and 2030 targets, ii) add an interim reduction target between 2025 and 2030, iii) set an EU-wide date for the complete phase out of fossil fuel cars (2035).
- Revise the car labelling directive needs to provide consumers with more reliable and relevant information about the environmental performance of their cars. This can be done through a revision of the EU directive on alternative fuels infrastructure. See our more detailed recommendations on the car labelling [here](#).
- Accelerate the roll-out of recharging infrastructure for electric cars and make recharging points easy to use for consumers. See our more detailed recommendations [here](#).
- Swiftly adopt the next generation of Euro emissions standards. Emissions limits should be tightened, and the list of pollutants covered extended.

2.2. Alternative fuels beyond electricity

A wider range of fuels are often mentioned as possible alternatives to electrification: 3rd generation biofuels, power-to-liquids, synthetic fuels etc. However, these liquid alternative fuels are resource-intensive. 3rd generation biofuels, which are produced for instance from forestry residues, waste or algae, are very costly to produce and current projections show there would not be enough capacity to meet the needs of road transport. Power-to-liquids, which combine renewable hydrogen with CO₂ to produce liquid fuels, require a lot of electricity in the production phase. It is likely that our current renewable electricity capacities would not suffice to produce vast amounts of these fuels in a sustainable way¹¹. There is therefore a growing consensus that these fuels should be prioritised for transport modes which are the most difficult or even impossible to electrify. This is not the case for cars or vans for which direct electrification (injecting electricity in a battery powering the vehicle) is widely acknowledged as the most energy and cost-efficient. It is therefore the best for consumers' budgets.

BEUC's recommendations to the EU and Member States:

- 3rd generation biofuels and power-to-liquids/synthetic fuels should not be used for cars and vans. Their use should be reserved for transport modes which are difficult to decarbonise (aviation and shipping). To disincentivise their use for cars and vans, these fuels should not be integrated to the future revision of cars CO₂ reduction targets. For instance, they should not qualify as 'eco-innovations' or any other mechanism helping manufacturers achieving their targets.

2.3. Reduce the emissions of aviation and shipping and complete the electrification of trains

Other modes of transport, such as aviation and shipping, seem largely 'out of control' with an exponential increase of their GHG emissions. Unlike road transport, these sectors must only comply with vague and often unbinding commitments to keep their emissions under control or only marginally reduce them. Provided the car industry really accelerates its shift towards zero-emission technology, the share of aviation and shipping in transport emissions could become much bigger in a not so distant future. Urgent policy action is therefore needed to decrease CO₂ emissions from these sectors.

Aviation is the most carbon intensive mode of transport as well as Europe's fastest growing source of emissions. Since 2013, emissions from flights within Europe alone have increased 26%¹². For trips not exceeding 1500 to 2000 km, it is certainly possible to replace planes by sustainable modes alternatives – like high-speed or night trains. For almost all long-haul trips, however, aviation remains the only feasible option. Even with continued improvements in aircraft technology and operations efficiency, the aviation sector could emit three times more GHG in 2050 than it does today¹³.

¹¹ https://www.agora-verkehrswende.de/fileadmin/Projekte/2019/Klimabilanz_Batteriefahrzeugen/32_Klimabilanz_strombasierten_Antrieben_Kraftstoffen_WEB.pdf

¹² https://www.transportenvironment.org/sites/te/files/publications/2019_09_Corsia_assesement_final.pdf

¹³ https://theicct.org/sites/default/files/publications/Alternative_fuel_aviation_briefing_20190109.pdf

In terms of alternative powertrains, aviation is widely seen as the transport sector that is most difficult to decarbonise. Electrification does not seem a viable option. This is due to specific technological and performance constraints: the performance of aircrafts is extremely sensitive to their mass¹⁴.

Although **ships** are a relatively energy and cost-efficient form of transport, the share of shipping in global CO₂ emissions is also rising. The transportation of containerised goods has more than tripled since 2000 and the trend continues to accelerate. Beyond GHG emissions, containers and large cruise ships are a major source of local air pollution in harbours. Although electrification can be an option for ships operating short, fixed routes such as passenger ferries, it is not really a realistic alternative for larger vessels such as containers and tankers¹⁵.

Although electrification has made very considerable progress in the **rail sector**, many small and regional lines are still powered by diesel and the infrastructure costs of electrifying them seem to be prohibitive. Hydrogen is increasingly considered as a good alternative to power these smaller lines with lower investments needs in terms of infrastructure and a good zero-emission range¹⁶. The EU hydrogen strategy should help scaling up investments and making hydrogen available to decarbonise smaller regional lines.

Beyond reducing demand, the most promising decarbonisation option for aviation and shipping seems to be the use of alternative fuels such as hydrogen, synthetic jet fuels and ammonia. Unfortunately, current international and European regulatory frameworks do not push these sectors to make an increased use of these technological options. For aviation, international regulation (the so-called CORSIA mechanism and global aircraft CO₂ performance standards), has been much criticised for its lack of ambition, weak enforcement, overreliance on offsetting mechanisms and optimistic assumptions regarding the climate contribution of alternative fuels¹⁷. Intra-EU flights are covered by the European Emissions Trading System, but the current CO₂ price does not have a real effect on demand. For the maritime sector, discussions have been ongoing at international level since 1997 but the only tangible result is pretty much a non-binding resolution¹⁸.

¹⁴ https://theicct.org/sites/default/files/publications/Beyond_Road_ZEV_Working_Paper_20180718.pdf

¹⁵ Ibid.

¹⁶ <https://futurism.com/hydrogen-powered-trains-are-coming-to-germany-in-2021>

¹⁷ https://www.transportenvironment.org/sites/te/files/publications/2019_09_Corsia_assessment_final.pdf

¹⁸ https://www.transportenvironment.org/sites/te/files/publications/Study-EU_shippings_climate_record_20191209_final.pdf

BEUC's recommendations to the EU and Member States:

- For aviation: Promote alternatives to planes for trips shorter than 1500 to 2000 km. This could consist for instance of a denser network of high-speed trains or of a revival of night trains. The EU should also introduce mandates for airlines to progressively increase the share of sustainable advanced fuels which can be blended with traditional kerosene.
- For shipping: Introduce operational CO₂ standards setting a carbon intensity objective expressed as gCO₂ emitted per ton of carried goods or passenger. This would be more efficient than car-style CO₂ performance standards given ships generally have a lifespan of several decades¹. The EU could also introduce zero-emission technology mandates, starting on some segments such as luxury cruise ships.
- For both sectors, new pricing mechanisms also need be introduced to better reflect their effect on climate/the environment. This will be covered in the next chapter.

3. Make sustainable mobility choices the most affordable

Applying the **polluter-pays principle**, meaning those who produce pollution should bear the costs of managing its consequences, is increasingly seen as a way to remedy the negative externalities of our activities and to shift people's and companies' behaviour towards more sustainable options. **Price signals** – positive and negative – are major instruments to steer consumer behaviour. The problem is that today the sustainable choice is often the expensive and/or inconvenient choice.

The discrepancy between the direct monetary cost of an activity and its actual impact/cost for society is particularly strong in the field of mobility. According to a recent European Commission study¹⁹, the negative externalities of the transport sector amount to hundreds of billions of euros each year and these costs are not reflected in the final price of different modes. Current mobility price signals also poorly reflect environmental impacts. For instance, it is widely acknowledged that aviation has an unfair tax advantage over rail. Taxation and pricing tools should integrate negative externalities and incentivise the most sustainable choices.

For price signals to be effective, there must be reliable and attractive alternatives to unsustainable choices. For instance, road pricing schemes or increasing fuel taxation will most likely only gain public acceptance when parallel policies are put in place that improve alternatives to the use of individual cars.

¹⁹ <https://ec.europa.eu/transport/sites/transport/files/studies/overview-transport-infrastructure-expenditures-costs-isbn-978-92-79-96920-1.pdf>

Yet, the polluter-pays principle is also sensitive in that it can have detrimental effects on consumers and lead to a public backlash against more ambitious climate/environmental action, as the French 'yellow vests' movement showed. If designed the wrong way, the polluter pays principle might adversely affect low-income households. Addressing such equity issues must be at the core of any mobility strategy. Conditions must therefore be set for price signals/environmental taxation policy to be effective, socially fair and therefore acceptable for consumers.

3.1. The conditions for a fair application of the polluter-pays principle

- **Be transparent** about the use of revenues from an increased environmental/CO2 taxation. A survey from our German member VZBV showed that 64% of German citizens are willing to make an increased financial contribution to climate protection and that 66% support the principle of carbon taxation under the condition that revenues are paid back to consumers.
- **Earmark the revenues** from an increased fuel price to fund sustainable transport investments, for instance building a new metro line or increasing the frequency of regional train services. Where an alternative is not available and cannot be made available within a reasonable timeframe, as is often the case in rural or peri urban areas, revenues could be transferred back to consumers in the form of a lump sum payment. The polluter pays principle should consist of both negative and positive price signals, by which the more sustainable choice will also become the most affordable one.
- **Distribute costs fairly** between individual consumers and companies to make increased environmental taxation acceptable. There are many unfair tax advantages in mobility. In France for instance, commercial road transport is partially exempted from fuel taxes which apply to individual drivers. Aviation kerosene is also exempted from taxation. These differences of treatment instil a sense of unfairness among consumers which prevents building consensus in favour of stronger climate policies.

3.2. Financial incentives for zero-emission vehicles and other more sustainable modes of transport

As mentioned earlier, despite their lower operating costs most consumers cannot afford to buy an electric today. Continuous public commitment in the form of **tax and purchase incentives** is therefore needed, at least for a few more years until battery prices have further decreased²⁰.

Across the EU, 24 Member States offer incentives for electrically chargeable vehicles. The most effective schemes seem to be the ones where the incentive is applied upon purchase of the vehicle²¹. For instance, in France, the "bonus" granted to electric cars is entirely funded by a "malus" (that is, more taxes) applied to high-emitting cars. Purchase incentives in France apply both to new and to second-hand cars, thus making them accessible to a larger public.

With the outbreak of the COVID-19 pandemic and an expected economic recession, some Member States have started introducing demand-side support measures to help the automotive sector recover. In 2008-2009, during the last financial crisis, many governments had opted for **car scrappage schemes**, consisting of cash lump sums for drivers to replace their old vehicle with a brand new one.

²⁰ <https://www.bcq.com/en-be/publications/2020/drive-electric-cars-to-the-tipping-point.aspx>

²¹ https://www.transportenvironment.org/sites/te/files/publications/2020_03_ICE_phase-out_legal_feasibility_study.pdf

The experience from the last crisis shows that these measures indeed provided an immediate liquidity relief to a hard-hit car sector. But they also had the negative effect of mostly benefitting higher-income consumers who would have probably bought a new car anyway and merely advanced their purchasing decision because of the financial opportunity. As a result, car sales grew significantly in a first phase before declining again sharply right after scrappage benefits ended. Moreover, the 2008-2009 scrappage schemes barely included environmental criteria except for the need to buy a new (hence supposedly cleaner) car. As a result, massive amounts of taxpayer money were invested in helping relatively well-off consumers buying new petrol and diesel cars they would probably have bought anyway²².

The takeaway from this experience is that there are probably smarter ways to help the automotive industry recover while benefiting a broader share of consumers and contributing to environmental/climate objectives. Rather than broad scrappage schemes, national governments should incentivise the switch to zero and low-emission vehicles. They can **increase the existing purchase incentives for BEVs, extend them to second-hand vehicles** and boost **financial support for lower and middle-income households**. Governments could for instance guarantee **zero-interest rate loans** for the purchase of electric cars. This could really help lower-income consumers who would still not be able to purchase a new car despite generous purchase incentives.

To accelerate the transition and the renewal of the fleet, governments can also include some form of targeted scrappage incentive, for instance by increasing the amount of the benefit if consumers scrap an older (than Euro 4) vehicle. This is already done in France with the "*prime à la conversion*" but needs to prioritise zero and low-emission cars (both new and second-hand). Support could also be given to petrol and diesel cars provided they are the best in class in terms of CO₂ and polluting emissions (for instance cars which emit less than the EU wide fleet reduction target of 95 g CO₂/km).

An alternative and/or complement to scrappage schemes or increasing purchase incentives could be to massively invest in recharging infrastructure. By 2025, it is estimated that between 1 and 1,3 million additional charging points will be needed to support the expected rise in electric car sales²³. This will require significant investments which could be covered by recovery funds. Unlike car sales, these investments would help develop a much-needed infrastructure which could stay for years. Meanwhile, not all consumers have, want or can afford a car. Subsidies should be broader and benefit people who use their bike or take public transport. Purchase incentives for the acquisition of cleaner cars should therefore be complemented by 'mobility premiums' to reimburse a public transport subscription or the acquisition of a bicycle for instance. Such measures have recently been introduced in Italy or in Portugal.

²² https://www.dbresearch.de/servlet/reweb2.ReWEB?rwsite=RPS_DE-PROD&rwobj=ReDisplay.Start.class&document=PROD000000000507441

²³ <https://www.transportenvironment.org/sites/te/files/publications/01%202020%20Draft%20TE%20Infrastructure%20Report%20Final.pdf>

BEUC's recommendations to the EU and Member States:

- Incentivise the uptake of electric cars through car taxation: bonus-malus schemes which support cleaner cars through higher taxes on cars that emit the most could be a good option.
- In the context of the post-COVID-19 recovery, national governments should focus on incentivising the sales of zero and low-emission cars. Broad scrappage schemes should be avoided and replaced by increased purchase incentives for zero and low-emission cars complemented by conversion premiums and zero interest rate loans for electric cars.
- For people who do not have, want or can afford a car, public authorities should introduce 'mobility premiums' encouraging more sustainable modes of transport (incentives to buy a bicycle, reimbursement of public transport or car-sharing subscription etc.).
- The European Commission should develop common guidelines advising Member States on how to design demand-side support measures benefiting consumers and contributing to our climate/environmental objectives.

3.3. Use price signals to reward sustainable mobility habits

A car's impact depends not only on the technology of its powertrain but also on how it is used. The environmental consequences of our mobility systems largely structured around private car ownership extend beyond high CO₂ emissions: cars also largely contribute to air pollution and high congestion rates, especially in urban areas.

Therefore, beyond the car technology, price signals are also important to influence how vehicles are used and, more generally, the choice of transport modes. Several types of price signals, negative and positive, can be introduced to encourage consumers to use vehicles more efficiently and/or switch to more sustainable transport modes. **Road charging**, especially in urban and highly congested areas, can be adapted to discourage the use of individual cars at peak hours, while encouraging car-sharing and the use of zero and low-emission cars.

In many EU countries, employers must reimburse employees a part or all of their transportation costs. These benefits should systematically incentivise car-sharing, public transport or cycling/walking over private cars. Employers should also help their staff switching to active modes of transport with non-financial incentives, such as the creation of secured parking spots and of changing rooms/showers for workers commuting by bike. Public transport, whether for local or long-distance journeys, can also be encouraged through tax incentives, for instance **reduced VAT rates**. The German government's recent decision to reduce the VAT rate for long-distance travels by train resulted in higher passenger numbers ²⁴.

²⁴ <https://www.zeit.de/mobilitaet/2020-02/mehrwertsteuer-bahn-tickets-zunahme-passagiere-reisende>

BEUC's recommendations to the EU and Member States:

- **Modify road charging rules** to encourage more sustainable car use: increased car sharing, less use of the car at peak hours and cleaner technologies.
- Encourage sustainable mobility modes through **positive price signals, such as companies' transportation benefits** favouring public and active modes of transport over cars. Taxation policy should be modified to spur the use of public transport (for instance through **reduced VAT rates**).

3.4. Phase out unfair financial support to the most polluting transport modes

Finally, for the transition to a more sustainable mobility system to be fair and widely accepted, **subsidies to fossil-fuel based transport modes should be progressively phased out**. The French 'yellow vests' movement was triggered by a planned increase of the carbon tax. Several representatives of the movement complained that individual drivers would have seen higher prices at the pump while several high-emitting industries were exempted from this tax increase. For **environmental taxation to be fair**, each sector and market player should bear its fair burden of the costs of the transition. This is particularly the case for aviation where the kerosene tax exemption should end. Instead, revenues of a common kerosene tax could be reinvested to fund more sustainable alternatives such as high-speed rail. If no agreement on kerosene taxation can be reached at EU level, then the more willing Member States should move forward together.

State aid for transport projects not compatible with the objective to decarbonise transport, such as the extension of a regional airport, should also be phased out. There are several cases of member states giving subsidies or cross-subsidies to maintain inefficient airlines and airports which are used mainly by low-cost companies. The EU should make sure that state aid, when justified, is directed to promote sustainable transport. Exemptions could be envisaged in specific cases. For instance, aviation sometimes is the only suitable mode of transport for remote or peripheral regions, such as islands.

BEUC's recommendations to the EU and Member States:

- Introduce an **EU-wide tax on kerosene** for all flights within, to or from the EU and use its revenues entirely to fund sustainable alternatives such as high-speed rail networks and/or night train connections. If no agreement is possible at EU level, willing Member States should move forward through bilateral agreements.
- **Modify state aid rules** to phase-out fossil fuel subsidies for fossil fuel transport modes.

4. Improve the convenience of public transport and rail

It is widely acknowledged that a **modal shift** needs to happen from the most to least polluting transport modes. The increased use of public transportation services, whether for long-distance trips or for daily local commutes, will be key in achieving this objective. Public transport is already the preferred option over individual cars in many cities across Europe. This is because it is most efficient in densely populated urban areas where, the relative door-to-door speed of trips by public transport is often on par or only slightly slower than by cars²⁵.

For longer-distance trips, the recent climate strikes and the phenomenon of '*Flygskam*' show there is a growing desire of consumers to use trains rather than planes whenever possible. Some policymakers have even suggested short and medium distance flight trips should be prohibited where there is a reliable alternative by train²⁶. Moreover, there is an increasing appetite from Europeans for an effective network of night trains for long distance journeys²⁷. Too often, however, consumers do not have access to reliable and affordable public transport and train options. This can be changed by the following measures:

4.1. Increase investments in trains and public transport

To encourage use of public transport and trains the starting point is of course **the offer**. Public transport is often a reliable option in densely populated areas and city centres. In many suburbs, it is generally less reliable with a lower service frequency and less connections. Some cities, such as the Greater Paris Region²⁸, are trying to remedy this by building new metro lines that link suburban areas, but such projects require huge investments which are not within reach for all cities/public authorities.

Regarding longer-distance journeys, there is often no convincing alternative to plane trips even for distances which could be easily covered by train. For instance, people wishing to go from Amsterdam to Paris are rather unlikely to fly due to the good high-speed train connection. The same logic would not apply for someone going from Ljubljana to Vienna, although the distance is shorter, due to the lack of a good train connection. Investments in train infrastructure and the creation of attractive train offers are therefore highly needed to make the shift to rail possible.

Not all train trips need to be covered by high-speed lines, which require significant investment. For distances below 1,500 or 2,000 km, night trains are a perfectly viable alternative to planes for many users. Unfortunately, the last two decades have seen a wave of closure of night train services which resulted in an increased dependency on aviation. There is currently a growing appetite for the return of night train connections and Austrian operator ÖBB has recently demonstrated this can be profitable business.

Authorities therefore need to step up investments and provide better public transport and rail connections. There is currently a discussion about the creation of new EU-wide financial instruments to support the recovery of the European economy, especially in those countries most severely hit by the crisis. Such funds could be spent on public transport projects in and across Member States. This would be money well spent as it 1) is in line with climate and sustainability goals, 2) provides consumers with convincing alternatives to the use of

²⁵ https://www.uitp.org/sites/default/files/MCD_2015_synthesis_web_0.pdf

²⁶ https://www.rtbef.be/info/economie/detail_aviation-vers-la-fin-des-vols-de-courtes-distances-au-profit-du-train?id=10236865

²⁷ <https://www.europeantransportforum.eu/mediaroom/the-return-of-night-trains-shows-the-enduring-appeal-of-rail/>

²⁸ <https://www.societedugrandparis.fr/>

private cars and/or planes, 3) stimulates economic recovery through major public works²⁹. Part of the necessary funds could come from the revenues of a kerosene tax (see previous chapter).

BEUC's recommendations to the EU and Member States:

- Increase the investment in public transport and trains at local/regional and national/cross-border level. The EU recovery fund and upcoming Multi Annual Financial Framework should prioritise investments in the frequency of metro/bus services, construction of new metro/train connections and reopening of night train connections.

4.2. Ensure a higher quality of service based on consumer expectations

After the *availability* of the offer, the attractiveness of public transport also depends on the *quality* of the service provided and on consumer satisfaction. Our Danish member, Forbrugerrådet Tænk, has been working since 2014 on a project called 'Passengers pulse' which gathers knowledge and provides policy recommendations about passenger needs with regards to public transport³⁰. As similar scheme exists in the United Kingdom called 'Transport Focus'³¹.

The basis for Forbrugerrådet Tænk's work is the concept of '**pyramid of passenger needs**' developed by Dutch mobility specialists and confirmed by surveys of more than 100 000 Danish passengers. This hierarchy provides useful guidance for policymakers. It will not come as a surprise that at the bottom of this pyramid, we find the basic need to have access to a **punctual, reliable and safe service**. As a second layer, we find the travel time and the need for **joint planning of networks and the coordination of timetables** within and between different transport modes.

Public transport users also desire an **easy and hassle-free** travel experience, meaning they do not want to spend energy to book a ticket or to find their way in a station. At the top end of the pyramid comes the need for **comfort** (cleanliness, availability of seats, noise levels etc). And, once all other needs have been fulfilled, passengers pay attention to their '**customer experience**' such as the design of a station or the beauty of their commute. This might seem obvious, but we often see cases where a train station will have been designed by a famous architect to provide a city/neighbourhood with a flagship monument without sufficiently taking into account its convenience for commuters.

The COVID-19 health crisis will probably have an impact on this hierarchy of passenger needs. In the upcoming months, we can therefore expect people to be much more attentive to the cleanliness of train/buses. Authorities will need to respond to this so people regain trust in public transport.

²⁹ According to "cautious" estimates, the construction of the new Greater Paris metro lines could bring an additional 4 billion euros a year to the French economy when the first lines will start being operated: <https://www.societedugrandparis.fr/gpe/actualite/du-gain-de-temps-la-croissance-du-pib-les-benefices-du-grand-paris-express-739>

³⁰ <https://passagerpulsen.taenk.dk/>

³¹ <https://www.transportfocus.org.uk/>

BEUC's recommendations to the EU, Member States, local authorities and public transport operators:

- Ensure a high quality of service by focusing on those aspects which make a difference for passengers: frequency, punctuality, reliability, safety, joint planning of networks and coordination of timetables, proper information, comfort and cleanliness.
- In the context of the COVID-19 crisis, special attention should be given to provide passengers with the necessary means to avoid contagion: availability of disinfectant and masks for users in stations, obligation to wear protective masks, efforts to increase frequency at peak hours to avoid congestion etc. The European Commission's May 2020 'Tourism and Transport Package'¹ is helpful as it proposes clear measures for a progressive relaunch of passenger trains¹. For consumers to regain full confidence and consider public transport as safe, operators must effectively implement the required measures.

4.3. Better and more passenger rights to make rail journeys more attractive

The European Commission recently proposed to make 2021 the "year of rail"³² and rightfully insists the shift to rail will be a key driver for a more sustainable mobility system. However, the proposed initiative seems to rely mainly on communication and awareness-raising campaigns. For rail to become more attractive to consumers tangible regulatory changes are needed, especially in the fields of passengers' rights and consumers' ability to rely on effectively integrated trip services.

Consumers who choose to travel by train instead of their car or a plane need to be confident they will not be powerless in case of disruption during their trip. This requires them to have strong, easily enforceable rights and knowledge of them. The ongoing reform of the **rail passengers' rights regulation** is an occasion to significantly step up passengers' protection. The scope of the regulation should be as broad as possible. Under the current legislation, **Member States are allowed to exempt railway operators from the application of the regulation in many circumstances.**

This leads to a reality where 64% of train travels (for instance regional trains) are not covered by the regulation. Such exemptions need to be phased out or significantly limited. The use of **through tickets**, which means passengers are protected throughout their entire journey even if it involves different train operators, must be the rule. Passengers also need to be **better informed about their rights**: currently, only one out of ten Europeans is aware of the existence of EU passenger rights.³³ Finally, these rights need to be **better enforced**, for instance through clearer complaint handling from operators or binding alternative dispute resolution schemes as proposed recently by the European Parliament³⁴.

³² <https://ec.europa.eu/transport/sites/transport/files/legislation/com20200078.pdf>

³³ Special Eurobarometer 485 – Wave EB91.1 – Kantar, February/March 2019, p.7.

³⁴ https://www.europarl.europa.eu/doceo/document/TA-8-2018-0462_EN.html

In the current COVID-19 pandemic, BEUC members have reported a tremendous increase in consumer complaints about travel issues. In a nutshell, travellers' rights to a refund for pre-payments, as stipulated by EU passenger rights regulations and the national transposition of the Package Travel Directive, are being violated. Consumers face a proliferation of potentially unfair practices from travel and tourism operators. In addition, travellers are confused by the various national measures on vouchers and the postponement of reimbursement, which are in breach of the above-mentioned European legislation.

It is therefore essential to maintain passenger rights and the right to reimbursement. To ensure industry liquidity Member States could use national state aid potentially combined with an EU travel fund that helps cover passenger reimbursement claims and protects against insolvency. Consumers whose trip has been cancelled should have the choice between reimbursement and a voucher.

BEUC's recommendations to the EU:

- The current revision of the EU rail passengers' rights regulation should strengthen passenger rights: national exemptions should be phased out, through-ticketing generalised and rights better enforced. See our more detailed recommendations [here](#).
- Uphold passenger rights in the COVID-19 crisis. For instance, the choice of whether to accept a voucher or not should be left to the consumer and should not be an obligation. [See here](#) our more detailed recommendations on travellers' rights during the COVID-19 crisis.

4.4. Make integrated ticketing the norm and sharing of data mandatory for train operators

Travelers also need to be able to rely on truly integrated trip services, which include **better information provision** and the **use of common reservation and ticketing systems** for the entire trip. Currently, there are a series of regulatory and commercial barriers that make it very difficult for consumers to find the best deal for cross-border train journeys. To solve this, the rules need to be clear: train operators operating in the EU should **share their static and dynamic data** (timetables, real-time traffic information such as delays or platforms) and **make ticketing available to third parties** in an open data format. This way, consumers can make an informed choice, compare tariffs, and book a journey involving different operators (even across transport modes) via a single platform.

BEUC's recommendations to the EU:

- Make the sharing of static and dynamic data mandatory for train operators. Ticketing should be made available to third parties in an open data format. To do so, the Commission could for example reopen the 1926/2017 delegated regulation of the Intelligent Transport Systems (ITS) Directive or even consider new legislation on integrated ticketing and sharing of data in the context of the implementation of the European Commission's Data Strategy. See our more detailed recommendations [here](#).

4.5. Protect consumers travelling on multimodal trips

4.5.1. Consumers combining different transport modes also need to be better protected.

To date, passengers who opt for multimodal solutions do not benefit from a continuous protection throughout their journey. This is because passenger rights regulations are currently sectoral. In practice, this means that if a passenger chooses a multimodal journey (i.e. train-airplane), each segment is covered by a different regulation. This leads to practical questions and legal issues for consumers: Which operator is responsible for giving travel information to passengers before and during the travel, or in the event of disruption? Which entity is liable in case of a missed connection (i.e. airplane missed because of a train delay)? Who is responsible for complaint handling in case of litigation? What regulations apply to pay compensation, (these are radically different between rail and air transport)? And so on.

To improve the situation, the Commission should make a legislative proposal that better protects European passengers using multimodal transport and gives them legal certainty about their rights. This proposal should be an opportunity to address the issues of passenger rights, of liability between the different operators, but also to include measures on single ticketing and data-sharing (minimum standards/compatibility of data/free access to API etc.). This would encourage a shift to rail and sustainable mobility in general.

Encouraging multimodal transport also means that one mode should not preclude the next. Too often for instance, rail operators do not foresee the possibility for passengers to take bicycles on board of a train. We support the position of the European Parliament which wants to require rail operators to include spaces to transport assembled bicycles in all new and refurbished trains.

BEUC's recommendations to the EU:

- Encourage multimodal travel through a new legislative instrument that would better protect EU passengers and give them legal certainty regarding their passenger rights.
- The revised rail passengers' rights should require all new and refurbished trains to have well-indicated spaces to transport assembled bicycles.

5. Rethink urban design to give more space to walking and cycling

Each year, millions of European living in urban areas spend hours upon hours stuck in traffic jams. This is largely due to the predominance of individual cars for a variety of trips which could well be covered by public transport, walking and cycling.

The COVID-19 lockdown measures and steep reduction in traffic have paradoxically made obvious the huge – and suddenly underutilised – urban space dedicated to cars. This unbalanced distribution of wide car lanes, narrow sidewalks and hastily designed cycling lanes – if any – has been referred to as the “arrogance of space” by some urban designers³⁵. Many people do not necessarily wish to commute by individual car, but their direct environment nudges them into this direction or even prevents them from using any other mode of transport. A recent study by the French *Fondation Nicolas Hulot pour la Nature et l'Homme* showed that 84% of French citizens estimate they have no other choice but to use the car for their mobility needs. Almost one out of two would be willing to cycle for their daily trips but do not because of the lack of well-designed and secured cycling infrastructure⁷.

Together with public transport, walking and cycling – sometimes referred to as ‘active modes of transport’ – are by far the greenest mobility options. Besides their clear benefits for the environment and climate, they also bring knock-on effects for human health and road safety. Cities such as Helsinki or Oslo have managed to cut pedestrian deaths to zero by favouring active mobilities over driving³⁶. Copenhagen – where 62% of the residents’ commute to work or school by bike – shows that with the right infrastructure and urban planning, the overreliance on individual cars is not a fatality⁹. In many cities around Europe, most trips do not exceed a few kilometres (for instance, 2/3 of trips in the Brussels region do not exceed 5 km³⁷) which can ideally be covered by foot or bike.

Of course, not every trip can be made by bike or by foot and the needs of specific users such as people with reduced mobility or elderly must be considered. But reducing car use and freeing more space for active modes of transport would probably have positive effects for this population too if the recourse to vehicles is limited to those who most need it. Overall, cities need to rethink urban planning with the objective to reorganise public space towards a greater balance between different transport modes. Urban planning should also

³⁵ https://medium.com/@colville_andersen/the-arrogance-of-space-93a7419b0278

³⁶ <https://www.theguardian.com/world/2020/mar/16/how-helsinki-and-oslo-cut-pedestrian-deaths-to-zero>

³⁷ <https://plus.lesoir.be/297567/article/2020-04-29/deconfinement-40-kilometres-de-pistes-cyclables-securisees-bruxelles-carte>

better integrate the combination of different transport modes, especially the interaction between active modes of transport and public transport.

A deeper reflection should take place about the last decades' dominant trends in urban development. The model of low-density development (urban sprawl and ribbon developments for instance) leads to more car dependency and makes public transport investments more costly as people who need it are very spread out. Compared to a few decades ago, people commute much longer distances for work, shopping or leisure³⁸. This trend is unsustainable and has largely contributed to the increase of GHG emissions of the transport sector.

Until the COVID-19 pandemic is fully under control, people may be reluctant to use public transport. Local authorities need to prevent a dystopian scenario where a large part of public transport users would go back to the car. This is unsustainable and will likely result in dramatic road congestion rates. The promotion of walking and cycling seems an ideal alternative to facilitate mobility while preserving social distancing. Many cities around Europe have understood that and have started closing some streets to car traffic or putting in place temporary bike lanes³⁹.

BEUC's recommendations to the EU, Member States and local authorities:

- The EU should continue to promote **Sustainable Urban Mobility Plans (SUMPs)** which are guidelines based on an exchange of urban planning best practices between European cities. These guidelines should put a stronger focus on the need to reduce the space for cars in cities/residential areas and incentivise instead walking and cycling.
- In the aftermath of COVID-19 health crisis, local authorities should attribute more space to pedestrians and cyclists to ease physical distancing measures while at the same time enabling people to move around. A modal shift from metro/buses to cars must be avoided.
- **The European Commission could develop** guidelines about **the quality and safety of cycling infrastructure** based on Member States'/cities' best practices. For instance, to convince beginners, there needs to be a physical separation between cyclists and motorists. When building a cycling lane, one should make sure it has been thought through, and it is well connected. Cycling infrastructure should also instil a sense of safety and be well lit.
- Government information campaigns should be organised to highlight the health and environmental benefits of walking and cycling.
- Increase EU funding dedicated to help cities dedicate more space to pedestrians and cyclists.

³⁸ For instance, French citizens travel almost 5 time longer distances today than they used to in the 1960es: <http://www.chair-energy-prosperity.org/publications/expliciter-tendances-passees-1960-2017-emissions-de-co2-transports-france/>

³⁹ https://www.forbes.com/sites/carltonreid/2020/04/22/paris-to-create-650-kilometers-of-pop-up-corona-cycleways-for-post-lockdown-travel/?fbclid=IwAR1WByXIa69b-KqwubzHWWzC0uX0p7errfio3Yi5cL1xcENq8_BUnlvHzis#6ab0242a54d4

6. Encourage new mobility services that serve sustainability objectives

Innovation in mobility has been very impressive over the past few years, with many new transport modes/ operators appearing on the market, notably thanks to the use of digital tools. As a result, a lot of alternatives to private car use have emerged in cities across Europe. Ride-hailing operators such as Uber or Lyft have become an integral part of urban mobility systems. There are dozens of different car-sharing schemes. Our cities are now filled with new mobility services – such as e-scooters, electric motorbikes and dockless bikes – also referred to as ‘micromobilities’. Evolutions in this landscape are very rapid and new operators appear and disappear almost every month.

While such services can reduce car dependency, there are legitimate questions about their real benefit for society and the environment. Public authorities are becoming aware that these new service providers must thrive within a regulatory framework to make sure they contribute to mitigating the environmental impact of transport and increase the quality of life in urban areas.

6.1. Regulate ride-hailing services

Ride-hailing services such as Uber or Lyft like to present their services as moving people away from individual cars. However, recent studies have demonstrated that Uber has increased traffic in cities where it operates and steers people away from public transport. In San Francisco for instance, congestion increased by 62% over the past few years and half of the increase is attributed to Uber and Lyft¹¹. With the advent of self-driving cars, the situation could worsen as the costs of a ride could be reduced significantly, hence encouraging even more people to move away from public transport.

There are solutions to avoid this ‘mobility dystopia’ scenario. For instance, public authorities could oblige ride-hailing services to only use zero-emission cars as from 2025. Modifying road charging rules (see section 2) so that a part of the price is determined by the level of congestion at a given moment would ensure ride-hailing tariffs reflect both the demand/offer algorithm of these companies and the state of traffic where they operate. This way, users who might be tempted to use a ride-hailing car instead of more sustainable alternatives might be encouraged to reconsider their choice.

BEUC’s recommendations to the EU, Member States and local authorities:

- Ride-hailing and taxi companies should only use zero-emission vehicles as from 2025.
- Road charging rules should be modified and integrate the level of congestion so that ride-hailing services become less financially attractive when there is a lot of traffic.

6.2. Regulate new mobility services providers

In recent years, a wide range of new micromobility services have literally invaded many of our cities and disrupted urban landscapes. Similar to ride-hailing, operators of e-scooters or dockless e-bikes present their businesses as a sustainable mobility solution. While statistics differ widely between cities, in Paris it is estimated that only 8% of e-scooters trips have replaced the use of a car or taxi. Most e-scooters users would have walked (47%) or used public transport (29%) if the e-scooter option would not have been available¹². Moving people away from walking, and to a lesser extent from public transport, is of course not a desirable outcome from a public interest perspective.

After a rather chaotic start in many cities, it appears most local public authorities now see a need to regulate these services. Many options can be envisaged⁴⁰: **(i) controlling market access** through concessions, **(ii) regulating operations** by capping the number of vehicles on a local authority's territory and **(iii) requiring the operator to rebalance its fleets** according to urban planning criteria. It is also probably necessary to require these services to be offered not only in high-income or well-connected neighbourhoods but also in lower-income areas or where micromobilities can help complete trips to the nearest public transport option.

To manage traffic flows, local authorities should be able to **access the data** of micromobility operators (i) to **better understand traffic flows**, (ii) to **regulate the traffic** when needed (for instance geofencing an area where vehicles should not be parked) and (iii) to **incentivise operators to better service certain zones**. Some cities in Europe have started using a digital tool called 'Mobility Data Specification' (MDS). Initially developed by the city of Los Angeles it allows them to track real-time movements and locations of micromobility vehicles. The use of this tool could be generalised, under the condition that users' data is well protected and that privacy and data protection rules are respected. However, should personal data be collected and processed by private parties not qualifying for the legal basis for collection stipulated for public interest purposes in Article 6(1)(e) GDPR, then the collection needs to take place using the other legal basis (i.e. consent) and be carried out within the limits and principles of EU privacy and data protection laws.

BEUC's recommendations to the EU, Member States and local authorities:

- To operate on the territory of a city/local authority, new mobility service providers need to serve the objective of a more sustainable mobility system. The services can be regulated by limiting the number of providers operating in an area and/or capping the amount of vehicles allowed to run.
- To monitor and manage traffic flows, new mobility service providers should share their data with cities within the limits of EU law, in particular the GDPR.

⁴⁰ <https://www.polisnetwork.eu/wp-content/uploads/2019/11/Polis-Paper-Macromanaging-MicroMobility.pdf>

6.3. Encourage and control the development of Mobility-as-a-Service (MaaS)

Digitalisation is opening new opportunities to provide more convenient alternatives to private car ownership and better integrate various transport modes. A new category of operators is emerging which provide 'Mobility as a Service' (MaaS) offers. MaaS operators rely on digital platforms to allow their customers to book door-to-door trips via a single application with a unique payment channel⁴¹.

Customers using these apps are offered several ways to reach their destination: for instance, they can start their journey using a bike-sharing system until they reach the nearest metro station and then complete their trip with public transport. Or they might instead use a ride-hailing service or taxi for the entire trip. Users are able to select the best option for them based on an estimate of the cost/duration which depends on the transport modes selected.

Although this business is only starting, MaaS services are already available in a few cities around Europe such as Helsinki or Antwerp. For MaaS operators to be able to offer their services, several limitations need to be addressed: first, the operators must have **access to static and dynamic data** of the different transport operators whose service they offer on their platforms. Important data are for instance timetables, real-time traffic information and alerts on potential delay.

For MaaS services to be attractive, consumers need to be able to book their entire journey with a **single payment** and access the different segments of their journey with a **single ticket**. This means operators such as micro-mobility service providers but also taxis and public transport need to give access to their booking platforms.

There are different possible integration models for MaaS services: some companies such as Whim select a series of mobility operators whose services will be offered on their app (for instance, one taxi company, one bike-sharing operator, one car-sharing company). Some large ride-hailing companies, like Uber or Lyft, are building vertically integrated services: they progressively add new services to their traditional taxi offers, for instance electric motorbikes, and offer the possibility to book a public transport journey on their app.

These two models raise some questions in terms of fair competition and innovation. In both cases, an operator – the app in the first case, the mobility service provider in the latter – controls the access to the market and can exclude providers with which they are in direct competition. Thus, mandating data access could be seen as a means to open up these markets as long as the data is considered essential and cannot be obtained through other means. Another more competitive model would be to provide an open platform where all legal mobility providers can offer their services⁴². Regardless of the model chosen, the pre-requisite for these services **should be that they are built around public transport**: trains, metros and buses must be the backbone.

MaaS services should also be available for people who do not use smartphones or do not wish to be 'connected'. For these consumers, a transport card could be used. In the Netherlands for instance, the 'OV-chipkaart' gives access to all public transport operators as well as complementary services. Users can choose between different options: 'Pay as you go' for a single trip depending on the distance and transport mode, or classical subscriptions which give access to monthly or yearly pre-defined list of services depending on your needs. Users are able (re)load their card online or physically in stations/supermarkets.

⁴¹ <https://maas-alliance.eu/homepage/what-is-maas/>

⁴² <https://medium.com/iomob/how-the-internet-of-mobility-will-transform-mobility-ecosystems-6c83c15e1553>

BEUC's recommendations to the EU, Member States and local authorities:

- New MaaS services should always prioritise public transport and active mobilities over other modes.
- MaaS service providers need to be given access to static and dynamic data as well as the booking platforms of train operators.
- Fair competition needs to be ensured among private mobility service providers.
- MaaS services should also be accessible to consumers who do not use smartphones or do not wish to be connected, by way of traditional access tools such as transport cards.

END



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