



Brussels, 8 April 2015

Dear Mr Member of the Transport Committee,
Dear Rapporteurs of the proposal for a European Fund for Strategic Investment,

The European Parliament is discussing the Commission's proposal for a European Fund for Strategic Investment (EFSI). UITP, representing more than 400 urban, suburban and regional public transport operators and authorities from all member states, and Polis, the network of over 65 Cities and Regions working on innovative urban mobility, **fully support the creation of this new financial mechanism** aiming to mobilise additional investments in areas including transport infrastructure, urban development, energy and energy efficiency, with the overall objective of boosting the European economy.

In order to effectively reach this objective however, proper attention should be paid to urban mobility. In view of the upcoming adoption of the opinion of the Transport Committee¹, UITP and Polis would therefore like to share their concerns about the Commission's proposal to reallocate a part of the Connecting Europe Facility (CEF) and of the Horizon 2020 program to the EFSI mechanism.

As rightly underlined by the Transport Committee, the CEF is meant to support the development of the Trans-European transport network, through direct co-financing of the European Union and based on commonly defined criteria. Those criteria put a high focus on environmental sustainability, helping the European Union to achieve the goals of the 2011 White Paper on transport in terms of modal shift, reduction of greenhouse gas emissions and of the oil dependency of the transport sector. Public transport projects, including urban nodes, are recognized to have a key role to play in achieving those objectives, and are eligible for the CEF.

On the other hand, the EFSI is meant to target socially and economically viable projects through risk sharing and financial guarantees, thus with different structures and objectives. The mechanism is said to support projects in a broad range of areas, including but not specifically focusing on transport. It does not focus either on supporting environmental goals, but rather on projects able to attract private investors. Moreover, EFSI will target short/medium projects with a quick return on investment. It is clear that the **CEF and the EFSI**

¹ 2015/0009(COD) DRAFT OPINION of the Committee on Transport and Tourism for the Committee on Economic and Monetary Affairs and the Committee of the Budgets on the proposal for a Regulation of the European Parliament and of the Council on the European Fund for Strategic Investments and amending Regulations (EU) No 1291/2013 and (EU) No 1316/2013 (COM(2015)0010 – C8-0007/2015 – 2015/0009(COD))



have complementary yet different objectives. It would thus be counterproductive to reallocate resources from one fund to the other.

Risk is therefore that **the allocation of CEF and H2020 money to the EFSI will be at the expense of infrastructure and innovation projects, including sustainable urban and public transport projects, which are eligible under CEF and Horizon 2020, but have a long return on investment. Urban and public transport may therefore not be eligible under EFSI, while still playing a key role in supporting innovation and economic development in the longer term.**

Indeed, urban areas play a major role in the European economy. 80% of the European Union's GDP is generated in urban areas, which gather about 75% of the European population.

Urban areas are key points in most, if not all, journeys: they do not only represent the first and last miles of long distance journeys, they also serve as connecting points, linking transport modes and corridors. Well-developed and maintained urban infrastructure greatly helps in removing bottlenecks. Besides, developing urban mobility helps to make European funding actions visible to the citizen, who sees a direct, close, immediate benefit.

For instance, linking Orly airport to Paris by extending metro line 14 and Roissy Charles de Gaulle airport with the future metro line 17 is expected to provide new rail transfer opportunities for millions of public transport customers by offering direct connections between Paris airports and the centre of Paris. In our 21st Century, medium and long distance travel – both domestic and international - have become more and more common and frequent in Europe, bringing new requirements not only to the air or rail national and international services, but also to the local and regional transport systems of the European metropolises considered as global urban hubs.

Similarly, the Crossrail project in London will create economic benefits which exceed the initial investment (18 billion GBP vs. 15 billion GBP). Businesses in London are voluntarily playing a key role in funding the system, acknowledging the significant return on investment it will generate for them.

The example of Stuttgart is also telling, with the planned extension of the urban light rail network of line U6 to the Airport/Fairground. Stuttgart Airport is already today a TEN-T node and will be further developed by the railway project Stuttgart 21, making Stuttgart Airport a major multimodal node in the Stuttgart region linking long distance transport with regional/local transport. It will provide the fastest urban rail connection between the airport and the city centre and will enhance the connectivity of the whole Southern part of the city with the future multimodal node.

Urban nodes therefore deserve great attention when setting the priorities of European financing programs. **Supporting sustainable mobility towards and within European cities is**



the best way to reconcile the economic and environmental sustainability objectives that are on the EU agenda, to the benefit of European citizens.

Considering the above, **UITP and POLIS strongly support the proposed deletion of articles 18 and 19 of the draft EFSI regulation** as suggested by the co-Rapporteurs and a large number of members of the Transport Committee.

We hope that the practical examples we have described will be a useful contribution to the discussion, and remain available for further information you may need from us.

Best regards

A handwritten signature in black ink, appearing to read 'Alain Flausch', written in a cursive style.

Alain Flausch
Secretary General UITP

A handwritten signature in black ink, appearing to read 'Karen Vancluysen', written in a cursive style.

Karen Vancluysen
POLIS Secretary General

About UITP:

UITP is the international association representing public transport stakeholders. In the European Union, UITP brings together more than 400 urban, suburban and regional public transport operators and authorities from all member states and is consequently recognized as a key interlocutor for the European institutions and other bodies.

UITP represents the perspectives of short distance passenger transport services by all sustainable modes: bus, regional and suburban rail, metro, light rail and tram and waterborne. These services are often organised in integrated public transport networks covering metropolitan areas and other specific territories.

About POLIS:

Polis is a network of European cities and regions working together to develop innovative technologies and policies for local transport. With over 65 members, Polis works with transport experts and decision makers at local and regional level.

The network's aim is to improve local transport through integrated strategies that address the economic, social and environmental dimensions of urban mobility. To this end, Polis supports the exchange of experiences and the transfer of knowledge between its members and also facilitates the dialogue with other stakeholders of the sector such as industry, research centres and universities, and NGOs.