



Climate, Energy and Environmental Aid Guidelines (CEEAG)

UITP welcomes the revision of the guidelines on state aid for environmental protection and energy in the context of the Green Deal and the EU climate targets. For the transport sector, reaching the goal of reducing emissions by at least 90 % by 2050 will require considerable investments in both green technologies and sustainable modes of transport.

By using little space and moving millions of passengers every day, public transport is a highly energy-efficient mode of transport and the backbone of urban mobility. The shift to alternatively fuelled vehicles in the public transport sector is well on its way, with metros and trams as forerunners of transport electrification and an ever-increasing number of low- and zero-emission buses operating in European cities.

However, a substantial level of investments in vehicles and charging and refuelling infrastructure is needed for the public transport sector to move towards net-zero emission mobility. From August 2021 onward, the Clean Vehicles Directive (2019/1161/EU) requires Member States to meet minimum targets for the public purchase and use of clean and zero-emission buses. To alleviate the financial burden on the public transport sector, additional funding is required and needs to be enabled through the state aid guidelines.

Regarding the revision of the CEEAG, UITP would like to make the following comments:

DEFINITION OF A 'CLEAN TRANSPORT VEHICLE'

For its definition of a 'clean transport vehicle', the CEEAG (point n°20) refers to the Clean Vehicles Directive – but for heavy-duty vehicles such as public transport buses, the guidelines use two different definitions within this Directive. Until 31 December 2025, the guidelines refer to the definition of a 'clean vehicle' in article 4(b) of the Clean Vehicles Directive, meaning a vehicle using alternative fuels as defined in Directive 2014/94/EU. However, from 1 January 2026 onwards, a 'clean transport vehicle' in the guidelines is equivalent to a 'zero-emission heavy-duty vehicle' within the Clean Vehicles Directive.

UITP strongly opposes this approach, as it would result in two diverging definitions of a clean bus from 2026 onwards. A change of definition might also limit the eligibility of buses purchased before 2026 for state aid in the form of reduced operational (e.g. energy) costs in the years following the change of definition. For these reasons, the definition in the guidelines should instead be fully aligned with the definition of a 'clean vehicle' in the Clean Vehicles Directive until at least the end of the second reference period of the Directive (31 December 2030).

CLEAN MOBILITY

In point n°139, the Commission acknowledges that while existing policies may provide incentives for the uptake of clean transport vehicles, e.g. by boosting vehicle demand via the Clean Vehicles Directive, they may not be sufficient to address market failures fully. Among possible market failures, the text mentions the high prices of clean vehicles compared to their conventional counterparts and the availability of recharging or refuelling infrastructure.

UITP welcomes that aid may be granted for the acquisition, leasing or retrofitting of clean transport vehicles for road and railway, among others. To reduce emissions and achieve the procurement targets of the Clean Vehicles Directive, **it is paramount for public transport operators to receive state aid for the purchase of zero-emission vehicles.**

INCENTIVE EFFECT

Point n°142 states that the clean mobility section conditions apply in addition to the requirements listed in the section on the incentive effect. When determining whether aid facilitates the development of an economic activity, the Commission assesses the incentive effect (section 3.1.2). The guidelines (point n° 31) state that "the Commission considers that aid granted merely to cover the cost of adapting to Union standards has, in principle, no incentive effect. As a general rule, only aid to go beyond Union standards can have an incentive effect".

The definition of 'Union standard' in point n°78 excludes standards or targets set at Union level which are binding for Member States but not for individual undertakings. UITP interprets this to mean that the procurement targets set by the Clean Vehicles Directive do not fall under this



limitation. **To confirm this interpretation, UITP asks the Commission to clarify whether the incentive effect could stop public transport operators who fall under the scope of the Clean Vehicles Directive from being able to receive state aid for the purchase of clean and zero-emission vehicles.**

AID FOR THE DEPLOYMENT OF RECHARGING OR REFUELLING INFRASTRUCTURE

The Commission acknowledges that existing policies, such as Directive 2014/94/EU, may not be sufficient to address market failures regarding the deployment of recharging or refuelling infrastructure. UITP considers this to be true for the public transport sector and therefore welcomes the opportunity for Member States to grant aid for the set-up of said infrastructure. Concretely, while the Clean Vehicles Directive mandates the procurement of clean and zero-emission buses, the targets were not accompanied by measures to scale up the deployment of charging and refuelling infrastructure in the Member States.

In section 4.3.2, there appears to be no differentiation between publicly accessible charging or refuelling infrastructure and infrastructure for the internal use by the public transport operator (e.g. in depots) in terms of bureaucratic requirements. UITP questions the necessity of following a competitive bidding process and public consultation for infrastructure that a public transport operator exclusively uses.

About UITP EUROPE

UITP is the international association representing public transport stakeholders. In the European Union, UITP brings together more than 450 urban, suburban and regional public transport operators and authorities from all Member States. We represent the perspective of short distance passenger transport services by all sustainable modes: bus, regional and suburban rail, metro, light rail, tram and waterborne.

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