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Priorities for the EU transport sector beyond 2024

KEY MESSAGES

With this paper, BusinessEurope sets out its priorities and key recommendations for future EU transport policy for the sector as a whole, followed by specific priorities for each transport mode. In the 2024-2029 legislative cycle, BusinessEurope calls on EU policymakers to:

➢ Guarantee a level playing field with third-country competitors, remove all barriers to cross-border EU transport and logistics services and promote multimodality and interoperability between the different transport modes, while ensuring fair competition.

➢ Ensure adequate funding for European infrastructure projects for all modes and a timely completion of the trans-European transport network, and strengthen infrastructure serving multimodal, innovative, and sustainable transport solutions.

➢ Create the right enabling conditions for the decarbonisation of all modes of transport and support technology neutrality in the green transition of the sector.

➢ Ensure adequate cybersecurity of the transport and logistics sector, fully unlock the potential of mobility data from all transport modes and multimodal transport and support the development and deployment of ICT systems and digital infrastructure.

EU transport sector at large

Ensuring cross-border transport operations and the sector's competitiveness

Deepening the Single Market and ensuring resilient international transport flows must play a key role in future EU transport policies. A functioning, reliable and efficient cross-border transport system, and full removal of barriers to cross-border transport and logistics services[1] are prerequisites for the free movement of goods, services, and people. Transport policy should aim to achieve a well-functioning transport Single Market connecting businesses and regions, ensuring a fully interconnected all-modes-of-transport system, guaranteeing the seamless functioning of cross-border value chains, and enhancing the EU's competitiveness.

A strong and competitive European transport market can significantly contribute to economic growth in Europe. Accounting for about 5% of EU GDP and employing around 10 million people[2], the transport industry represents a crucial economic sector and a key element for the security of supply chains, as was illustrated during the COVID crisis. To further maintain and

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[1] See BusinessEurope's non-paper (2023) on barriers in the transport sector.
[2] European Commission (2022), Directorate-General for Mobility and Transport, *EU transport in figures – Statistical pocketbook 2022,* https://data.europa.eu/doi/10.2832/216553

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expand the competitiveness of the EU transport industry, not only of the individual modes but also vis-à-vis non-EU competitors, it is crucial to:

- **Establish a level playing field with competitors from third countries** with access to the EU market by increasing the focus on preventing carbon leakage and reducing emissions at global level. While European businesses fully support EU's climate goal aiming to achieve carbon neutrality by 2050, it is crucial to ensure that these much needed and ambitious plans do not jeopardise the EU transport sector's competitive standing vis-a-vis non-EU competitors operating at global level.

- Continue to focus on creating a **global level playing field in the aviation and maritime sector**. New agreements at international level should equally include environmental and social standards and financial transparency. Fostering cooperation with the International Civil Aviation Organisation and the International Maritime Organisation on an international regulatory framework will promote fair competition, high safety standards, accessibility, and environmental protection. At the same time, access to aircraft and components remains key to facilitating a global level playing field in civil aviation[3].

- Given other market-based existing measures aimed to reduce CO_2 emissions in the aviation and maritime sectors[4], the **appropriateness of the Commission's proposal in the Energy Tax Directive to tax maritime and aviation fuels** should be re-considered to ensure a fair and sustainable development of all transport modes and the achievement of the EU green and transport policy targets that have been set out. Unilateral tax measures by the EU and its Member States to these sectors may lead to a substantial reduction in investment capacity of these hard-to-abate sectors into new decarbonisation technologies. The overall policy goal of achieving carbon reduction in these sectors should avoid shifting traffic flows away from EU hubs as this leads to a loss of connectivity and competitiveness.

- While the liberalisation of EU transport markets has generally been achieved in recent years, although at different speeds for the individual modes, **promote the further opening of transport markets,** in particular for road and rail transport, thus advancing the liberalisation of freight transport across the EU, promoting cross-border road and rail connections and creating new business opportunities, while ensuring compliance with relevant EU legislation and fair competition.

Considering that the substantial increase expected in the demand for transport services will have to be accommodated by all modes of transport, strengthening multimodality and interoperability and ensuring fair competition between the different modes remains key. It is essential to focus on the multimodal optimisation in European transport, ensuring that each transport mode is efficient in its own right, while avoiding a 'one-size-fits-all' approach, and consider the different transport modes not as competing, but as complementary. The **revision of the Combined Transport Directive** provides the opportunity to successfully promote multimodality by creating a common, ambitious framework at EU level, based on fair competition between and within transport modes. As laid down in BusinessEurope's position

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[3] The WTO plurilateral agreement on Civil Aircraft, where the EU is a signatory, eliminates import duties on aircraft (other than military), as well as on all other products (engines and their parts and components, all components and sub-assemblies of civil aircraft, and flight simulators and their parts and components).

[4] Via the International Civil Aviation Organisation and International Maritime Organisation, and EU measures, including ETS and quotas for reducing GHG-intensity and deploying sustainable fuels (FuelEU Maritime and ReFuelEU Aviation).

paper, to facilitate the uptake of sustainable freight transport options and increase the use and competitiveness of intermodal and multimodal transport in the EU, it is crucial to:

- Ensure **coherence between the revisions of the Combined Transport Directive and Weights and Dimensions Directive** and guarantee intermodal compatibility to avoid any obstacles to the development of intermodal transport operations.
- **Extend the Directive's scope to a wider set of operations** to enable more multimodal transport operations to benefit from the regulatory framework.
- Establish the Single Market freedom to provide services across borders as the underlying principle to ensure that the Directive guarantees the **seamless functioning of a cross-border transport system** and prevents the creation of additional barriers, thus ensuring a coherent regulatory framework across the EU.
- Increase the level of ambition for Member States' **reduction in total costs of combined transport operations** and provide further clarity on the common methodology for calculating the 40% external cost reduction target.
- Foster **investment in high-quality infrastructure** compatible with multimodal transport operations and ensure technical compatibility between the different modes.
- Provide **regulatory and financial incentives at EU and national level** to promote multimodal transport, while avoiding a patchwork of national measures and ensuring their compatibility with Single Market principles and applicable EU state aid rules.
- **Reduce administrative burden and reap the full benefits of digitisation** in multimodal transport by promoting end-to-end monitoring of combined transport operations along the entire transport chain.

Strengthening and financing reliable and efficient transport infrastructure

An EU-wide, reliable, and high-quality infrastructure for all transport modes is essential for safety and accessibility, economic and environmental sustainability, and efficient cross-border freight and passenger transport. As transport infrastructure in many parts of Europe is insufficient, the EU and Member States must guarantee adequate funding to ensure that infrastructure networks are connected, also between modes, expanded, streamlined, upgraded, and maintained to be fit for Europe's future transport needs: network completion, capacity increase, digitalisation, zero- and low-emission mobility, and safety and accessibility for all transport users. High-quality infrastructure is key not only for competitiveness, productivity and growth in sectors using infrastructure services, but also for the reduction of externalities in transport. In particular, the following areas need adequate attention:

- **Renewal and increase of the Connecting Europe Facility (CEF)** as part of the next long-term EU budget for the period 2028-2034 to ensure adequate and targeted funding for European infrastructure projects for all transport modes. EU funding should always prioritise cross-border connections and infrastructure enabling more cross-border and multimodal transport, ensuring that existing and new infrastructure is fit for future developments, such as the expected increase in demand for transport services and capacity, and the shift to zero- and low- emission mobility, and support critical infrastructure projects along national networks.
- **Timely completion of the trans-European transport network (TEN-T)** with respective deadlines of 2030 for the core network, 2040 for the extended core network, and 2050

the very latest date for the comprehensive network. The EU and Member States should provide sufficient financing to fill in investment gaps, remove infrastructure bottlenecks and bridge missing links in cross-border sections, and ensure timely completion of ongoing TEN-T projects for all modes. Moreover, the Commission should be granted a stronger mandate in the financial control and oversight of such projects to avoid delays in completing the TEN-T.

- **Strengthening the infrastructure, efficiency, availability, and accessibility of multimodal freight terminals**, and upgrading and optimisation of existing facilities. Multimodal transport solutions require adequate infrastructure, including terminals, as the latter serves as nodes for maritime, rail, road and inland waterway transport.

- **Developing a European network of safe and secure parking areas** for commercial vehicles carrying goods and passengers to provide a high level of assistance and safety for drivers and ensure that provisions of the Mobility Package I are observed.

- **Improving seamless mobility and accessibility of services and infrastructure for all users of maritime, air, rail and road transport**, including monitoring accessibility and implementation of regulatory requirements, such as the TEN-T requirements.

- **Adequate financing and deployment of the necessary alternative fuel infrastructure for all transport modes** across the EU and along the TEN-T to meet the objectives of the Alternative Fuels Infrastructure Regulation (AFIR) and comply with EU climate and decarbonisation targets. The focus should be on charging infrastructure for passenger cars, light and heavy-duty vehicles, both in urban and peri-urban areas, hydrogen refuelling infrastructure; charging, refuelling and bunkering (electrification, hydrogen and sustainable fuel) infrastructure at airports, sea and inland ports; and charging stations for battery-powered trains and hydrogen refuelling stations where direct electrification of railway lines is not possible. The EU should present an action plan on the simplification and streamlining of investment in recharging and refuelling infrastructure going beyond the AFIR requirements, and launch an initiative to systematically speed up authorisation procedures for industrial projects at large, including recharging and refuelling infrastructure and grid expansion[5].

Supporting sustainability, energy efficiency and climate action in EU's transport sector

European businesses back the EU's ambitious climate targets and are investing considerably to green their production processes and ensure that all transport modes contribute to achieving the Green Deal goals. The transport sector needs to play a key role in lowering greenhouse gas emissions in the EU. However, it is crucial that relevant EU climate legislation preserves the sector's competitiveness, considering social and economic dimensions, and is based on technology-neutral and cost-effective means. The next Commission must carefully analyse effectiveness and bottlenecks of current legislation, including its impact on European industry's competitiveness. If new legislation is proposed, the Commission must assess the impact of measures on the transport sector holistically to ensure that reducing the sector's environmental footprint and promoting its competitiveness go hand in hand. More specifically:

- After its adoption, the **implementation and impact of the 'Fit for 55' package** on the transport sector must be closely monitored and assessed, in particular where the risk of

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[5] See BusinessEurope's SWOT-analysis (2024) of industrial permitting in Europe.

distorting international competition and increasing carbon leakage is high. When reviewing the CO_2 emission standards for cars and vans, all available decarbonisation technologies and the development of key enabling conditions must be considered.

- The transition to the **decarbonisation of all transport modes,** including the current vehicle fleet, must be supported by incentives, enabling policies and concrete targets, and continuous and adequate funding schemes to encourage investment in and promote the uptake and implementation of green technologies, including zero-and-low carbon gaseous and liquid fuels, and advancing on electrification. Moreover, industrial alliances supporting the decarbonisation of the sector should be maintained and strengthened.

- **Technology neutrality** must be a guiding principle for the achievement of a sustainable and green transport sector along the entire life cycle of transport modes. The EU and Member States must take concrete and ambitious actions, for example through EU or national financing schemes, to foster the use of energy efficient and carbon-neutral transport solutions, including those that are electrified and available now, and strengthen the infrastructure needed to charge and fuel zero- and low-emissions vehicles. Available technologies needed for the decarbonisation of existing and new fleets, including biofuels, advanced biofuels and carbon-neutral fuels, play an important role in achieving short- and long-term climate targets for all transport modes.

- Regulatory and permitting rules must be designed and implemented in such a way as to enable the fast adoption and deployment of **technologies necessary for the shift to zero- and low-carbon mobility** and the required e-mobility infrastructure.

- Clear strategies designed for each Member State, linking targets for electrification and decarbonisation, should identify concrete steps for **grid development** to prevent bottlenecks in connecting and integrating transport electrification.

- **Passenger transport, such as public and collective transport,** alongside innovative and sustainable solutions for private vehicles, should be promoted to help reduce greenhouse gas and pollutant emissions and improve road safety.

Effective digitalisation of the European transport and logistics sector

The digitalisation of the European transport and logistics sector and information exchange along the supply chain will be key to modernising and optimising transport services, making them safer, more efficient, sustainable, accessible and user-oriented. To ensure a level playing field for the different transport services, an adequate regulatory framework is needed:

- **Adequate cybersecurity of the transport and logistics sector and cooperation with national cybersecurity centres** is crucial. The implementation of NIS2 and the Cyber Resilience Act throughout the EU should increase cyber-resilience of the European transport sector but will need to be monitored. The EU should ensure coherence between horizontal and sectoral legislations to avoid unnecessary administrative burden and reporting duplications.

- It is essential to guarantee and promote the **inter-operability of IT and electronic systems** between countries and different transport modes.

- To fully unlock the **potential of mobility data from all transport modes**, consistency of upcoming sector-specific legislation related to the access to and use of in-vehicle generated data is crucial, with clear definitions on the type of such data to be made

available by data holders. Potential civil liability issues between data holders, users and third parties, in the context of a European mobility data space (EMDS), should be carefully considered to ensure the market development of innovative solutions for vehicle users. The EMDS should represent a technically reliable and secure environment in which data exchange is based on accessibility and trustworthiness.

- The transition to and **operationalisation of the electronic CMR consignment note** should be promoted to reduce administrative and handling costs without imposing additional compliance costs on European business.

- Increased investments in **digitalisation and end-to-end monitoring of multimodal transport operations** along the entire transport chain and promotion of smart digital solutions and technological innovations are crucial. The requirement for authorities to approve multimodal transport operation should be simplified by providing necessary information in digital format through regulatory tools, including an eFTI platform.

- To boost **digitalisation, automation and innovative solutions**, CEF and the TEN-T Regulation should support the development and deployment of ICT systems and digital infrastructure, building on the experience of transport operators and infrastructure managers, while reinforcing their international and cross-border cooperation.

- To enhance the efficiency of the transport system and provide a seamless passenger experience, the **Regulation on multi-modal digital mobility services** should focus on removing barriers to cross-border multimodal transport rather than on content sharing obligations, thus avoiding the risk of market distortions, and give leeway to sector-specific solutions, provided they are in line with underlying EU legislation.

Road Transport

Enabling efficient cross-border road freight transport

In 2020, road transport was the main mode for inland freight, accounting for 77% of the EU's inland freight transport.[6] However, divergences at national level regarding the permissibility of cross-border freight traffic with different weights and dimensions for vehicles and the interpretation of the respective EU legislation have rendered road freight transport less efficient, hindering the functioning of the Single Market. Moreover, the increasing deployment of zero-emission technologies, impacting vehicles' design and weight, requires the creation of a level playing field with conventionally powered vehicles. As laid down in BusinessEurope's position paper on the revised **Weights and Dimensions Directive**, it is crucial to:

- Facilitate the cross-border provision of road transport services through effective and targeted harmonisation of rules for cross-border transport operations of heavy-duty vehicles, without leaving any room for market fragmentation practices at national level.

- Where a Member State makes use of national derogations, allow the cross-border transport with the same weights and dimensions as permitted under national rules.

- While incentivising and promoting innovative vehicle technologies and their market uptake, for example by compensating load capacity losses resulting from the additional weight of zero-emission technologies, uphold the principle of technological neutrality. In

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[6] Eurostat (2022), *Freight transport statistics – modal split*, https://ec.europa.eu/eurostat/statistics-explained/index.php?title=Freight_transport_statistics_-_modal_split

doing so, develop new vehicles considering technical interoperability with other modes to facilitate their use in intermodal transport operations.

- Ensure coherence with related EU legal acts, including TEN-T Regulation, Combined Transport Directive, CO_2 emission standards for heavy-duty vehicles and type-approval rules.

Moreover, while it is crucial to reduce CO_2 emissions from road freight transport, the framework to support the decarbonisation of the heavy-duty transport sector should not simply mirror the one established for light-duty vehicles, but take into account sector-specific aspects. This applies to the rapid and demand-based roll-out of charging and refuelling infrastructure as zero- and low-emission fuels will be needed for long-distance heavy-duty transport to reach climate neutrality. Enabling policy frameworks and mobilising investments play a key role in making decarbonisation of heavy-duty transport possible and economically sustainable.

EU legislation must create a level-playing field for zero-emission vehicles, while upholding the principle of technological neutrality and considering different decarbonisation technologies without phasing out certain technologies before market conditions allow for it. Both aspects, charging and refuelling infrastructure and a technology-neutral approach, must be considered in the upcoming review processes of relevant legislation (including the alternative fuel infrastructure and CO_2 fleet regulations) and, if necessary, by adjusting the targets.

Strengthening the EU's labour market and increasing safety and accessibility of European roads

Increasing skills gaps and shortages of qualified professional drivers[7] risk undermining the stability of mobility and logistics services and supply chains in Europe, affecting transport operators, consumers, and businesses alike. The EU must take appropriate measures to tackle driver shortages and challenges in terms of capacity in the market, by:

- Addressing unnecessary barriers to the **posting of drivers in road transport**, for example by creating an EU Single Window containing information provided by relevant national authorities on the application of Mobility Package I, including guidelines for the calculation of national minimum renumeration for posted drivers.
- Enabling an efficient **implementation of Mobility Package I**, for example regarding driving and rest times and requirements regarding the return of the vehicle.
- Increasing **accessibility to the profession** of truck drivers by allowing 17-year-olds to start trainings to drive trucks in national and international traffic in the EU.
- Facilitating the **employment of non-EU professional drivers** through an adequate EU legal framework recognising third-country professional driving licences and competence certificates, and through incentives for communication campaigns.
- Promoting the **formal education system**, notably at upper secondary VET level, as an entry point to the driving profession and incorporating **e-learning for theoretical elements** into training methods. Moreover, the procedure for obtaining the driving license and Certificate of Professional Competence should be integrated into the upper secondary VET educational curriculum.

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[7] IRU, *Driver Shortage Global Report* (2022): In Europe, driver shortages jumped by 42% from 2020 to 2021. Without any policy measures, Europe could lack over two million drivers by 2026.

POSITION PAPER

To achieve the Vision Zero target of reducing road deaths to zero by 2050, the EU must aim for the highest standards of road safety for passenger and freight transport. Moreover, existing and new EU transport legislation must ensure enhanced accessibility of road infrastructure for all transport users, especially in cross-border transport, and connectivity for all regions.

Advancing digitalisation in road transport

To further advance digitalisation in road transport and promote cooperative, connected and automated mobility, priority must be given to the following:

- Road authorities and public road operators should make available **high-quality road and traffic data** in digital machine-readable format to improve accessibility, exchange, re-use and update of such data.
- It is crucial to **harmonise and standardise physical and digital road infrastructure attributes** across the EU to make it suitable for automated driving and facilitate the deployment of automated transportation services at pan-European level, and to further increase coordination between Member States, for example by sharing datasets.
- The deployment of connected and automated vehicles will heavily rely on access to complete and up-to-date digital road features data, which is easier and safer than interpreting road conditions from computer vision.
- To promote the **automation of heavy-duty vehicles**, it is important to enable the updating and harmonisation of road traffic rules, adapt rules for drivers and operators of commercial vehicles, support the adoption and harmonisation of national licensing rules and simplify national and cross-border testing of automated systems, for example by creating European testing permits.

Rail Transport

Reliable and high-quality European rail infrastructure

The Smart and Sustainable Mobility Strategy sets ambitious targets in terms of high-speed network: doubling high-speed rail traffic by 2030 and tripling it by 2050. Rail freight also faces ambitious targets: rail freight is expected to increase by 50% by 2030 and double by 2050.[8] These ambitions must be reflected in future EU rail transport policy, addressing, among others:

- Development of a **high-performance rail passenger network**, fully interoperable and at high speed, connecting urban nodes and all capitals and major cities in Europe.
- Completion of the **electrification of the network** used by conventional trains.
- Dedicated and adequate funding and efficient governance for a synchronised and harmonised trackside and on-board deployment of the **European Rail Traffic Management System (ERTMS)**. As ERTMS governance is currently spread across different bodies, the establishment of centralised ERTMS governance at EU level is necessary to strengthen cooperation.
- Dedicated and adequate funding for the deployment of the **Future Railway Mobile Communication System (FRMCS)** across Europe.

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[8] European Commission (2020), *Sustainable and Smart Mobility Strategy - putting European transport on track for the future,* EUR-Lex - 52020DC0789 - EN - EUR-Lex (europa.eu)

- Coordinated and large-scale deployment of **Digital and Automated Coupling (DAC)** through a centralised European Deployment Management Entity and sufficient financial support in the framework of CEF, and promotion of other technologies such as Digital Capacity Management (DCM) and digital rail freight operations.

- **Efficient and flexible rail infrastructure capacity management** through increased cross-border cooperation between national infrastructure managers and rail undertakings, for example through a dedicated platform, improved capacity allocation through digital capacity management, and predefined rules on mandatory information and planning to limit the impact of temporary capacity restrictions. While a well-structured and transparent process for managing railway infrastructure capacity is needed, EU rules should not create additional bureaucracy for transport undertakings.

- Engagement of relevant stakeholders, inter alia rail undertakings, in **urban and regional mobility planning**, as well as inclusion of rail freight services in efficient **multimodal freight logistic chains** with access to industrial hubs and transhipment facilities equipped with adequate technologies to enable efficient multimodal transport.

Towards an accessible, integrated and competitive EU railway network

Despite significant achievements in the past years, further progress on establishing a Single European Railway Area is necessary to ensure an efficient, accessible, competitive and harmonised EU-wide railway network and contribute towards emission reduction targets.

- Control and management mechanisms should be established and strengthened to ensure **accessible rail passenger transport**, from the ticket purchase to arrival at the destination. To further facilitate pan-European passenger transport in terms of planning and booking trips, the rail sector should be encouraged to exploit the full potential of the European data economy through increased cooperation and data exchange.

- The quality of **regional rail passenger traffic** must be improved to reduce congestion and traffic-related pollution in urban areas. Passenger services connected with other transport modes should be promoted through better passenger hubs in all cities to foster sustainable tourism.

- To promote cross-border rail transport and a long-distance and night train network in Europe and achieve the objectives of the Fourth Railway Package, it is important to promote the **technical integration of national railway systems**, in particular in the context of ERTMS, FRMCS and DAC, ensure a stable sectoral regulatory framework, as well as simplify and accelerate procedures for the authorisation of vehicles.

- **Cross-border cooperation** regarding maintenance and construction work on railway lines that are part of the trans-European rail network must be strengthened.

- **Increased harmonisation of rules concerning train drivers** and operational rules in general are needed to ensure the development of a harmonised European rail network and interoperability of rail operations. Mutual recognition of languages on border sections should be expanded to eliminate obstacles stemming from national language requirements, and the use of digital tools should be further explored.

- To meet necessary infrastructure investment needs of the railway sector, **long-term, comprehensive financing** is necessary, for example in the context of an increased CEF budget, revised rules on multi-annual contracts between infrastructure managers and Member States, and mobilisation of private and public financial resources.

Air Transport

Boosting competitiveness and ensuring continuous innovation

While attaining the decarbonisation goals, the EU should aim at strengthening the competitiveness of the European aviation sector, ensuring that the European aviation industry as a whole does not suffer from competitive disadvantages vis-à-vis non-EU competitors. To this end, it is crucial that the EU guarantees regulatory convergence with third countries as much as possible, for example when granting further market access to non-EU airlines.

The ReFuelEU Aviation Regulation gives a good impetus for the industry's decarbonisation. However, the introduction of mandatory quotas for the deployment of Sustainable Aviation Fuels (SAF), alongside ETS, results in additional costs for European airlines, which could lead to a shift of traffic to non-European hubs with lower climate and environmental ambitions (i.e. carbon leakage). The EU must examine possible instruments to address negative impacts of its regulations on connectivity and competitiveness and support the production and uplift of SAF by closing the cost gap between sustainable and conventional aviation fuels (see below).

To increase the sector's competitiveness, the EU should examine possible instruments:

- Instruments or mechanisms resulting from the Commission's report under the ReFuelEU Aviation review clause, to be published in 2027, to support the production and uplift of SAF and the impact of the Regulation on connectivity and competitiveness;
- Improve existing and future air transport agreements between the EU and third countries through integrating binding and enforceable provisions on environmental standards and fair competition.

Moreover, the competitiveness of the sector relies on a resilient supply chain and the availability and promotion of the necessary skills, know-how and innovation to ensure that Europe remains a leading region in advanced air manufacturing and continuous innovation. The EU should continue supporting R&D in the aeronautics sector and consider creating framework conditions for testing and demonstrating the potentials of carbon-neutral aviation, for example through European framework programmes for research and innovation, such as Clean Aviation. The focus should be on accelerating the market launch of new innovative aircraft (electric, hybrid-electric, hydrogen-based) and the market uptake of SAFs.

To further increase the competitiveness of the EU aviation sector at global level and ensure a stable legal environment, the upcoming evaluation of the Directive on airport charges should carefully assess new market structures, impacts of EU climate policies on operators as well as the medium and long-term consequences on consumers.

Completing the Single European Sky

After years of discussions, the EU's legislators reached a deal on the Single European Sky (SES). The objective now is to achieve a truly seamless European Sky with a harmonised air traffic management performance system that meets traffic and capacity needs with a strong EU regulator. The reform of the SES (SES 2+) should establish a more efficient airspace structure and contribute to the decarbonisation of the air transport sector. As air transport has pledged to become carbon neutral by 2050, it is essential that air traffic management (ATM) is improved to enhance capacity and avoid delays and unnecessary CO_2 emissions. Improved

ATM and efficient routing in Europe through a seamless European sky would save up to 10% CO_2 emissions and positively contribute to safety, capacity, and cost efficiency.

Promoting the availability of Sustainable Aviation Fuels

SAFs play a key role in reaching carbon neutrality by 2050. However, the current volume, both biofuels and e-fuels, is limited, and costs are considerably higher compared to regular kerosene. To address challenges and ensure the SAF's availability and affordability:

- The EU must increase its efforts to incentivise the use of SAFs and ensure their availability, including of the necessary feedstocks, by sufficient funding instruments.
- The uptake of SAF will be increased by attractive and reliable funding opportunities, the removal of investment barriers as well as pragmatic deployment and crediting options for SAF through book and claim systems.
- Access to EU funding and investments will be strengthened by mobilising funding from both public and private sectors.

Air passenger rights

Ensuring clear, balanced, and fair passenger rights is key for guaranteeing high quality services and remaining competitive at the same time. While the Commission adopted the Passenger Mobility Package, the current deadlock on the revision of Regulation 261/2004 leads to increasing uncertainty and significantly amounting costs for European businesses. It is crucial to establish a clear, proportionate, and stable legal framework for air passenger rights providing protection and clarity for passengers and fair compliance costs for operators.

Moreover, simplifying operations and procedures to promote compliance with Regulation 1107/2006 concerning rights of persons with disabilities or reduced mobility in air transport and minimising any related risks for such persons is crucial. A possible revision of the Regulation could further help to ensure adequate support for individual passengers' needs.

Maritime, inland waterways and ports

Competitiveness of the maritime transport

To further enhance the competitiveness of the maritime transport sector, the EU should:

- Simplify the maritime pillar of the TEN-T "Motorways of the Sea" (MoS) and integrate ships as an integral part of transport infrastructure.
- Exempt ice classed ships and winter navigation from EU ETS and FuelEU Maritime.
- Supervise and monitor the implementation of EU ETS to prevent a negative impact on the activities of transhipment ports, but also on the European manufacturing industry depending on import and export maritime activities.
- Promote the development of small-to-medium size vessels which cover a large part of intra-European and Mediterranean bulk shipping.
- Encourage the development and deployment of decarbonisation technologies, create adequate policy incentives, and provide the necessary public funding to support the greening of the maritime sector.

- Improve the interoperability and accessibility of ports and ships to all users, including persons with disabilities or reduced mobility.

Ports as strategic assets for Europe

Modern and internationally competitive ports play an important role in promoting sustainable economic growth, increasing the resilience of the economy and contributing to the energy transition and decarbonisation of transport. To this end, the EU should:

- Develop a European Port Strategy with a focus on strengthening international competitiveness, developing and promoting critical port infrastructure and competitive private companies in the port. While investments in both are highly important for European competitiveness, the specific needs are different, and a future Port Strategy should clearly distinguish between both.
- Promote the development of infrastructures needed for LNG, hydrogen and other alternative energy sources and fuels.
- Ensure the availability of adequate and efficient infrastructure so that ports can increasingly function as multimodal transport hubs.