

UTG European and International update December 2019

Brexit latest

The general election on 12th December returned a Conservative government with a substantial majority, meaning the Johnson-negotiated revised EU Withdrawal Agreement is more likely to be approved by Parliament in time for the current Article 50 deadline of 31st January, at which point the UK would leave the EU and enter the Transition Period.

The revised Withdrawal Agreement retains around 90% of the earlier deal agreed by Theresa May. The main changes are in relation to the Northern Ireland Protocol, which removes the contentious “Backstop”, to ensure that the UK is able to leave the EU at the end of the Transition Period at December 2020. It specifically states that Northern Ireland is part of the UK customs territory for international trade purposes, but that specific EU laws will apply in Northern Ireland: product regulation, VAT and excise tax, a single electricity market, and state aid.

During the Transition Period, the UK will still have to implement new EU legislation and pay into the EU budget as normal. The Transition Period may be extended beyond December 2020, should a new trade agreement not be in place by that point.

Our Brexit activity

A new version of the quarterly UTG Brexit is available here

<http://www.urbantransportgroup.org/resources/types/documents/brexit-briefing>

Major new report on future UK R&I funding

The “Sir Adrian Smith Review” into what the UK’s arrangements should be on funding R&I post-2020 has finally been published here:

<https://www.gov.uk/government/publications/future-frameworks-for-international-collaboration-on-research-and-innovation-independent-advice>. The report confirms UK government would like to associate to Horizon Europe, the EU’s huge future R&I fund, which will run from 2021-2027. However, should the UK decide not to associate, the report calls for the scope and scale of any replacement domestic funding to be about the same as we could expect to receive under Horizon, namely £1.5bn per annum.



The report also points out that not all UK regions are equally placed in terms of their R&I capacity, and that both Horizon 2020 and especially the European Structural and Investment Funds (ESIF) provide specific instruments to address this. It would therefore like to see the future UK Shared Prosperity Fund (which will replace the ESIF post-2020) address this issue, and this in addition to any new UK R&I funding pot.

The UTG Brussels Team has joined two meetings with the report's authors and is very happy to provide members with more information on request.

New EU transport funds online

Two major EU funds have new calls open for transport projects.

Horizon 2020, the EU's premier research and innovation fund, has a major ringfence on transport. It has just released a new "Mobility for Growth" call for proposals, with an overall budget of €99m and a deadline of 21 April 2020. You can see the call topics here: <https://ec.europa.eu/inea/en/news-events/newsroom/eur-99-million-available-horizon-2020-mobility-growth-projects>.

The Connecting Europe Facility (CEF) funds works and studies to put in place or enhance key European transport infrastructure, has also just opened a call. This is an unusual call in that it is for 'blended' projects (mixing loans and grants), and also because it has 'rolling' deadlines, with a chance to bid every quarter until March 2021. €198m is available for the grants part. Only projects looking at ERTMS or alternative fuels (CNG, LNG, electricity and hydrogen) can be supported.

Now that a Brexit deal looks very likely, this means we can participate in all remaining EU funding rounds till end 2020, with the money coming direct from the EU budget, as if the UK were still a member state.

European Green Deal

The new Commission President, Ursula von der Leyen has announced a handful of key policy measures she will introduce in the first 100 days of her mandate, which has just started. The flagship measure here is the European Green Deal, which aims to make the EU net carbon neutral by 2050. This means going beyond the existing Paris Agreement goal of a 40% reduction by 2030 and instead increasing this to 50-55%

The Green Deal has a whole section on "accelerating the shift to sustainable and smart mobility" and achieving an overall reduction in transport's GHG emissions of 90% by 2050. Measures proposed include policies on freight modal shift, production and deployment of alternative fuels, and improving vehicle emissions standards. There are also plans to extend the Emissions Trading System and Energy Taxation Directive so as to cover better the maritime, traffic and aviation sectors.



How much of the Green Deal will ultimately apply in the UK will depend on two things: the length of the post-Brexit transition period and the depth of any future trade agreement once the transition ends.

UITP developments

UITP has produced a letter in response to the Green Deal, which UTG has approved as a member. The letter argues that the most effective way to become net carbon neutral in the transport sector is to prioritise public transport and soft modes, rather than just pursuing technological improvements.

Other interesting work from UITP currently includes: lobbying on the current revision of EU rail passenger rights rules; work toward ensuring transport featured fully in the latest COP round; and various initiatives being done on gender balance, both within UITP itself, and more widely among public transport workers and users.