The Briefing for BT4 Europe

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MAIN EU STRATEGIC DEVELOPMENTS

- **13 December** : 13 December : COP28 has concluded with a final agreement that commits nearly 200 participating nations to "transition away from" fossil fuels, replacing the previous pledge to "phase out" coal, oil, and natural gas. While some view the new language as historic, critics argue that it echoes existing commitments that have seen minimal success in reducing global reliance on fossil fuels. Despite claims of a beginning to the end of the fossil fuel era, skeptics highlight the COP's limitations in driving significant, uniform changes across diverse nations with varying priorities. The agreement's impact on major fossil fuel consumers like China remains uncertain, and observers question whether the diplomatic language will lead to substantial real-world outcomes.

- **21 December** : European Council President Charles Michel visited Kyiv ahead of the decisive EU summit on Ukraine support and accession talks. This marked his fifth visit since Russia's invasion in February 2022, coinciding with the 10th anniversary of the Euromaidan protests. The visit aimed to reassure Kyiv of the EU's long-term support, especially regarding potential EU accession talks in mid-December. As concerns rise about shifting global priorities and difficulties in securing financial and military aid for Ukraine, Michel's meetings with Ukrainian officials are crucial before the challenging EU summit in December. The EU faces obstacles in providing military aid, reaching financial aid targets, and dealing with Hungary's objections, raising uncertainties about Ukraine's future support.

MAIN EU DEVELOPMENTS RELEVANT TO BUSINESS TRAVEL

1. Recovery Monitor developments relevant to the recovery of business travel.

- **7 December** : Eurostat released data on air transport, revealing outstanding increase in the air passengers. In 2022, the total number of passengers travelling by air in the EU was 820 million, a substantial increase of more than double (119%) compared with 2021 (374 million), after the strong decline of 73% in 2020 compared with 2019 due to pandemic restrictions. All EU countries reported an uptick in air passenger numbers in 2022, with notable increases in Ireland (+256%), Slovakia, and Finland (both +203%). Extra-EU passenger transport constituted 47% of the total, while intra-EU transport represented 37%, and national transport made up 16%. The top 5 EU airports, including Paris/Charles de Gaulle, Amsterdam/Schiphol, and Madrid/Barajas, saw significant increases of approximately 100% or more.

- **14 December** : Eurostat published an analysis about the rise of seaborne passengers. In 2022, European Union (EU) ports exhibited a robust recovery in maritime passenger transport, witnessing a notable increase to 348.6 million passengers. This marked a substantial 30% rise

- from the 2021 figures of 267.9 million passengers and a significant 51% surge compared to 2020, which recorded 230.1 million passengers. Despite this recovery, the 2022 figures still lag the pre-COVID levels of 2019 by 17%. The data, published by Eurostat, indicates a positive trend in maritime passenger statistics, with a steady increase observed from 2014 to 2019, a
- sharp decline in 2020 due to the COVID-19 impact, and subsequent rebounds in 2021 and 2022.

2. Sustainability Monitor developments relevant to the sustainability of business travel.

- **8 December :** EUROCONTROL has started the development of its [platform](#) of green services, FlyingGreen, a flagship project for aviation sustainability, in collaboration with 240 representatives from the aviation sector. FlyingGreen, a strategic priority in EUROCONTROL's "Raising the Bar" program, aims to support ECAC Member States and operational stakeholders in their decarbonization efforts and climate change adaptations. The platform offers a NetZero toolkit, green fuel calculators, and other 'green' services. The goal is to ensure that these services meet the industry's needs, with stakeholders actively participating in the design and development process. FlyingGreen's green services are built on four pillars: NetZero, Fuelling Decarb, ClimAdapt, and DecarbFin, addressing emissions reduction, transition to sustainable aviation fuels, climate change resilience, and access to climate finance for aviation.
- **11 December :** The rapporteurs, Pascal Canfin (RE, France), from ENVI and Barbara Thaler (EPP, Austria), from TRAN, published their [Draft Report](#) on the proposal for a regulation of the European Parliament and of the Council on the accounting of greenhouse gas emissions of transport services (CountEmissionsEU).

- **13 December**: The European Parliament's [briefing](#) on the impact assessment (IA) supports the 'CountEmissionsEU' proposal by offering comprehensive information, backed by a well-defined problem statement and an exploration of the issue's magnitude. The analysis incorporates an external IA supporting study, stakeholder input, and independent research, assessing the economic, social, and environmental impacts of six policy options. The IA acknowledges limitations, notably the scarcity of empirical evidence linking greenhouse gas (GHG) emissions accounting, changes in transport activity, GHG reduction, and air pollutant emissions. It emphasizes uncertainty related to estimates dependent on behavioural shifts towards sustainable solutions. The SME test is conducted, although not differentiated by size-class, and the preferred option is explained as a balanced and proportionate choice offering the highest net benefits for SMEs. The selected option involves a voluntary approach (binding opt-in) and exempts SMEs from mandatory GHG emissions data verification. Stakeholder consultation activities are described, but clearer explanations of stakeholder views, including their representativeness, could enhance transparency.

3. Digital transformation Monitor developments relevant to the digital transformation of business travel.

- **5 December** : The European Parliament released a factsheet outlining Passenger Rights. These regulations aim to guarantee that passengers receive a baseline level of assistance in cases of significant delays or cancellations, regardless of the mode of transportation. The objective is to especially safeguard more vulnerable travelers. The regulations also incorporate compensation mechanisms. While various exceptions are allowed for rail and road transport services, legal challenges to the implementation of these rules persist. The feedback period is extended to 8 February 2024.
- **11 December** : The European Union Aviation Safety Agency (EASA) has launched the first version of the Innovative Air Mobility (IAM) Hub, a digital platform for information exchange on air taxis and drones. The platform aims to create transparency, address citizens' concerns, and connect various stakeholders involved in Innovative Air Mobility, including cities, regions, national authorities, operators, and manufacturers. The IAM Hub provides a space for sharing reliable information and data related to the introduction of air taxi and drone services. It is part of the European Commission's Drone Strategy 2.0, focusing on fostering a smart and sustainable EU drones' market. The project is funded by the European Commission and the European Parliament, emphasizing safety and sustainability in the deployment of these new aircraft.

4. Future Funding Monitor developments relevant to broadening the financial resources for BT4Europe.

- **15 December :** The European Commission announced the inauguration of a major rail service improvement in Latvia, featuring the launch of the first of 23 new electric trains in Riga and its regional network. Co-financed by EU Cohesion Funds with a total of €114 million from the 2014-2020 programming period, the enhanced service is expected to benefit thousands of passengers by improving daily connectivity and reducing air and noise pollution, greenhouse gas emissions, and traffic congestion in Riga. Executive Vice President Valdis Dombrovskis and Commissioner for Trade, along with the Minister of Transport Kaspars Briškens, celebrated the project's launch and emphasized the positive impact of EU funds on Latvia's transport infrastructure and connectivity. The revamped rail service is anticipated to transport around 15 million people annually across its regional routes.

5. Other

- **11 December :** The Czech Senate gave its opinion on the application of the Principles of Subsidiarity and Proportionality regarding the proposal of the Use of railway infrastructure capacity in the single European railway area. The Senate supports the efforts for greening freight transport through a bigger use of rail transport; it perceives a need to amend the existing rules in view of the high utilization or congestion of rail infrastructure in the EU; it is concerned by the difficulty of implementation of the measures because of the cost or the deadlines; and it supports the Government's framework position.
- **14 December** : The European Commission launched the new website of the EU Urban Mobility Observatory. It facilitates the exchange of information, knowledge, and experience in the field of sustainable urban mobility in Europe. It addresses individuals working in

transport as well as in related disciplines, including urban and regional development, health, energy, and environmental sciences. Created more than 20 years ago, it is now Europe's main source of information on urban mobility and is financed by the European Commission's Directorate General for Mobility and Transport (DG MOVE).

6. Upcoming initiatives

- [Digitalisation of travel documents and facilitation of travel](link) (legislative, incl. impact assessment, Articles 77(2)(b) and (d) TFEU, **Q3 2023**). Delayed.
- The [Multimodal Digital Services initiative](link). This initiative aims to address challenges for the multimodal digital mobility services (MDMS) to better integrate public transport and rail services and achieve seamless multimodal passenger transport. After several delays, the MDMS proposal does not appear on the Commission agenda for publication any longer and could be postponed and become the responsibility of the next Commission, after the EU elections next year.

Notes:
(i) This is the 20th Briefing Report for BT4Europe, it will be updated regularly
(ii) Further information on request.

Glossary of Terms

[Trilogue](link) - Negotiations between the institutions on legislative proposals generally take the form of tripartite meetings ('trilogues') between Parliament, the Council and the Commission. For a given file, each institution designates its negotiators and defines its negotiating mandate. Trilogues may be organised at any stage of the legislative procedure (first, second or third reading). Any provisional agreement reached in trilogues is informal and has therefore to be approved by the formal procedures applicable within each of the two institutions. In Parliament, the text of the provisional agreement must be approved by a vote in committee after which it is confirmed in plenary.

The **European [Committee of the Regions](link)** is an EU advisory body composed of locally and regionally elected representatives coming from all 27 Member States. Through the CoR they are able to share their opinion on EU legislation that directly impacts regions and cities. CoR members are elected representatives serving in local or regional authorities. The CoR appoints a rapporteur (one of its members) who consults stakeholders and prepares the opinion. The opinion is then presented to all members in plenary session who vote to amend and adopt it. Finally, the opinion is shared and communicated to all relevant EU institutions.

The **[acquis communautaire](link)** is the body of common rights and obligations that are binding on all EU countries, as EU Members. It is constantly evolving and comprises:

- the content, principles and political objectives of the Treaties;
- legislation adopted in application of the treaties and the case law of the Court of Justice of the EU;
- declarations and resolutions adopted by the EU;
- measures relating to the common foreign and security policy;
- measures relating to justice and home affairs;
- international agreements concluded by the EU and those concluded by the EU countries between themselves in the field of the EU's activities.

Applicant countries are required to accept the acquis before they can join the EU.

The EU Commission is the institution which represents EU's interests and is known in that respect as the 'Guardian of the Treaties'. The powers and functions of the Commission are set out in the treaties, in particular under Article 17(1) TEU. The Commission is composed of a College of Commissioners from 27 Member States, who are assigned responsibility for specific policy areas by the President.

More information on the steps towards **joining the EU** can be found using this link. The conditions for membership are known as the 'Copenhagen criteria' and include a functioning market economy, a stable democracy and the rule of law, and the acceptance of all EU legislation, including the euro. For more information about Ukraine's potential accession please see EU Law Live's podcast with Ukrainian academic Roman Petrov.

A **Directive** is a legal instrument which is binding as to the result to be achieved, but the choice of form and methods to achieve this is up to the Member States. An example of this is the Renewable Energy Directive which imposes an obligation on Member States to achieve 32% by 2030. Given the various forms of renewable energies and taking account of specific circumstances of Member States (some will prefer solar others wind depending on geographic location) the Directive leaves it up to Member States to achieve that 32%.

A **Regulation**, on the other hand, has general application, is binding in its entirety and is directly applicable in all Member States. An example of an EU Regulation is the non-commercial movement of pet animals which sets out identical rules for all Member States on transporting pets around the EU.

EU's Covid recovery funds, formerly known as the EU's **NextGenerationEU,** is the largest stimulus package ever financed in Europe. A total of 2.018 trillion Euros in grants and loans was announced to help rebuild a post-COVID-19 Europe. The fund hopes to build a greener, more digital and more resilient Europe. The centerpiece is the Recovery and Resilience Facility which required Member States to come up with a plan and submit this to the Commission for approval. More information is available at this link.

The Council of the European Union. The Council is one of three legislative bodies and together with the European Parliament serves to amend and approve or veto the proposals of the European Commission. The Council of the European Union (National level Ministers eg. Ireland's Minister for Finance Paschal Donohoe is President of the Eurogroup) and the European Council (Heads of State) are intergovernmental institutions. The presidency of the Council rotates among the EU member states every 6 months with the presidency chairing meets at every level in the Council, helping to ensure the continuity of the EU's work in the Council.