I. **INTRODUCTION**

1. On 11 December 2020, the Commission presented the Communication entitled 'Sustainable and Smart Mobility Strategy – putting European transport on track for the future'. It aims to put the EU on the path to creating the sustainable, smart and resilient mobility system of the future and bringing about the fundamental changes needed to achieve the objectives of the European Green Deal.

2. Given the important objectives of the Strategy, the Presidency organised a number of discussions at informal videoconferences of the Intermodal Transport Working Party that aimed to provide an insight into the different areas covered by the Strategy, and decided to develop Council conclusions on this subject.
II. **WORK WITHIN THE COUNCIL**

3. Consequently, the first draft of the conclusions was presented at the informal videoconference of the members of the Working Party on Transport - Intermodal Questions and Networks of 20 April\(^1\), and further discussions were held on 28 April and 5 May 2021. In addition, Member States were asked to submit written comments.

4. The last discussion took place on 12 May, where the members of the Working Party examined a revised Presidency compromise text. At this meeting, the vast majority of delegations supported most parts of the compromise text, while some delegations expressed diverging views or put forward drafting proposals on some of the issues captured in the conclusions, especially in relation to paragraphs 5 and 10.

5. Following the comments and concerns expressed at the last informal videoconference of the members of the Working Party, the Presidency prepared a revised version of the conclusions that aimed to address delegations' suggestions or concerns expressed at the meeting of 12 May.

6. Subsequently, the draft was presented to the Permanent Representatives Committee, which, at its meeting on 19 May, confirmed agreement on the draft Council conclusions set out in the Annex to this report and decided to submit them to the TTE Council on 3 June 2021 for approval.

III. **CONCLUSION**

7. The Council is therefore invited to approve the conclusions on the Commission's Sustainable and Smart Mobility Strategy set out in the Annex to this report.

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\(^1\) ST 7891/21 and its revisions.
HAVING REGARD TO:

– the European Council conclusions of December 2019\(^2\) and December 2020\(^3\), as regards climate change;

– the European Council conclusions of October 2020\(^4\) and the statement of the Members of the European Council of March 2021\(^5\), as regards digital issues;

– the Council conclusions on policy considerations for a pandemic and other major crisis contingency plan for the European freight transport sector\(^6\);

– the Council conclusions on compliance with the necessary hygiene and infection control measures to ensure cross-border collective passenger transport\(^7\);

– the Council conclusions on the progress of implementation of the Trans-European Transport Network (TEN-T) and the Connecting Europe Facility (CEF) for transport\(^8\);
the Council conclusions on “Priorities for the EU’s maritime transport policy until 2020: Competitiveness, Decarbonisation, Digitalisation to ensure global connectivity, an efficient internal market and a world-class maritime cluster”\(^9\);

the Council conclusions on the digitalisation of transport\(^10\);

the Council conclusions on “EU Waterborne Transport Sector – Future Outlook: Towards a carbon-neutral, zero accidents, automated and competitive EU Waterborne Transport Sector”\(^11\);

the Council conclusions “Towards a hydrogen market for Europe”\(^12\);

the Council conclusions on the future of energy systems in the Energy Union to ensure the energy transition and the achievement of energy and climate objectives towards 2030 and beyond\(^13\);

the Council conclusions on making the recovery circular and green\(^14\);

the Council conclusions on "Putting Rail at the Forefront of Smart and Sustainable Mobility"\(^15\).

\(^9\) ST 9976/17
\(^10\) ST 15431/17
\(^11\) ST 8648/20
\(^12\) ST 13976/20
\(^13\) ST 10592/19
\(^14\) ST 13852/20
\(^15\) ST 8790/21
THE COUNCIL OF THE EUROPEAN UNION

1. WELCOMES the presentation by the Commission of the Sustainable and Smart Mobility Strategy, which includes a medium- to long-run vision for a more environment- and climate-friendly, digitalised, resilient, fair and competitive transport and mobility system.

2. SUPPORTS the Commission’s vision to make European transport more sustainable, inclusive, intelligent, safe and resilient, and to ensure a major contribution by the transport sector to meeting the objective of a climate-neutral EU by 2050 in line with the Paris Agreement, as well as the binding target of a net domestic reduction in greenhouse gas (GHG) emissions in the EU of at least 55% by 2030 compared to 1990.

3. In this respect, CONSIDERS that, in parallel with a shift to more sustainable modes, all transport modes should contribute to a substantial reduction in the transport sector’s emissions by 2030 and by 2050 in a way that preserves their competitiveness and takes into account their emission reduction potential. In this context, INVITES the Commission to assess, in line with the Better Regulation requirements, how each measure envisaged in the Sustainable and Smart Mobility Strategy will ensure that transport modes can best contribute to the achievement of the above-mentioned 2030 and 2050 targets, including by conducting an in-depth examination of the environmental, economic and social impact at Member State level.

4. In addition, UNDERLINES that efforts to achieve the emission reduction targets should be delivered collectively in the most cost-effective manner possible, with all Member States participating in those efforts, taking into account considerations of fairness and solidarity and Member States’ different starting points and specific national circumstances, including those of island Member States and islands, while leaving no one behind.

16 Communication from the Commission, Sustainable and Smart Mobility Strategy – putting European transport on track for the future (ST 14012/20 + ADD 1)
5. With a view to substantially reducing the consumption of and dependence on fossil fuels, IS OF THE VIEW that an ambitious but balanced shift towards zero-emission vehicles, vessels, aircraft systems and fleets, promoting awareness among and predictability for all parties, from suppliers to consumers, requires an update of the EU legislative framework, in line with the principles of a functioning internal market, to facilitate the placing on the market and the take-up of alternative propulsion systems, such as those powered by electricity or hydrogen, complemented by an extensive roll-out of supporting infrastructure, including the deployment of recharging and refuelling points for alternative fuels. CONSiders in this context that low-emission solutions and low-carbon or renewable transport fuels may provide effective solutions for the transition, and that efforts to avoid the placing on the market of the most polluting means of transport should be stepped up for each transport mode.

6. STRESSES that the ‘polluter pays’ and ‘user pays’ principles should be reflected in transport policy measures for and across all modes of transport. EMPHASISES that incentives to promote the take-up of more sustainable transport should be put in place, including for the renewal and retrofitting of vehicles, vessels, aircraft systems and fleets.

7. STRESSES that digitalisation and the promotion of innovation in green technologies are key driving forces behind the long-term global competitiveness of the EU transport system, as they can improve sustainability, including by reducing pollution, bring greater efficiency, safety, security and comfort, and promote an integrated multimodal transport ecosystem, and in this context CALLS for the approach identified in the Passau Declaration of 29 October 2020, ‘Smart Deal for Mobility – Shaping the mobility of the future with digitalisation – sustainable, safe, secure and efficient’, to be taken up when transport and mobility policies are developed. RECALLS that multimodality requires multimodal and interoperable travel information, ticketing and payment.
8. RECALLS the importance of research and innovation activities to reinforce the sustainability, digitalisation and resilience of the transport and mobility system and WELCOMES in particular the contribution that partnerships established under the Horizon Europe programme should make in that regard, while emphasising that, in addition to the development and deployment of innovative climate-neutral technologies, behavioural changes by users of the transport and mobility system are also required to that end.

9. STRESSES that research and innovation efforts in cooperative connected and automated mobility should cover all transport modes in a manner that results in improvements in transport safety and efficiency, reduces congestion and contributes to climate and environment objectives, while also fostering interoperability and data protection at the stage of deployment, and providing for inclusive, accessible and affordable use cases. RECALLS the need to prepare the infrastructure to support automation.

10. CALLS for the swift adoption of an initiative on an EU mobility data space, which should ensure fair, reliable and secure access to and interoperability of data for improved transport efficiency, including to promote seamless multimodal transportation for passengers and freight, while also aiming for interoperability of data with other related data spaces. OBSERVES that the development of intelligent transport systems should continue to be based on a broad set of electronic communication technologies, such as mobile and Wi-Fi technologies, as well as services and infrastructure which are strategically critical, such as Galileo and EGNOS.
11. EMPHASISES that completing the Single European Transport Area remains a cornerstone of EU transport policy and STRESSES that a precondition for realising that goal and for achieving sustainable and smart transport and mobility is to have resilient, up-to-date, high-performance multimodal transport infrastructure to help connect and integrate all the Member States and regions of the EU, including remote, outermost, insular, peripheral, mountainous and sparsely populated ones, with a view to improving the free movement of persons, goods and services. In this context, RECALLS the importance of completing the core and comprehensive trans-European transport network within the established timeframe, including by addressing missing links and bottlenecks, and welcomes the further integration of urban nodes.

12. LOOKS FORWARD to the presentation by the Commission of the forthcoming Urban Mobility initiative and UNDERLINES in this context the importance of promoting active mobility such as cycling and walking, the use of public transport and new mobility services, effective mobility management, multimodality and sustainable means of transport in all transport modes (road, rail, waterborne and air), as called for in the Graz Declaration of 30 October 2018, ‘Starting a new era: clean, safe and affordable mobility for Europe’. RECALLS in this context that public transport has been seriously affected by the COVID-19 crisis and that the policy response to the crisis should aim to restore confidence in and improve the resilience of public transport, accelerating its sustainable transformation and modernisation, while ensuring transport affordability, given the essential role of public transport in social and territorial cohesion.
13. UNDERLINES that, while becoming more sustainable, digitalised and automated, the transport and mobility system should remain user- and human-centric. EU transport policy should be inclusive, promoting availability and accessibility to all, including to vulnerable groups such as the elderly, persons with reduced mobility and persons with disabilities, as well as to children. Affordability should be ensured so as to combat transport poverty, and transport safety should be stepped up, including in active mobility. EU transport policy should also continue to improve social conditions across all modes, including working conditions, improve reskilling opportunities and enhance job attractiveness in the sector.

UNDERSTANDS that EU transport policy should aim to eliminate inequalities and promote gender equality, as well as rights and equal opportunities for all. The mainstreaming of these objectives is expected to be taken into account and promoted throughout the preparation, implementation and monitoring of transport policy measures. HIGHLIGHTS the need for effective public engagement and social dialogue in order to adequately reflect in transport and mobility policies the changing needs of people and stakeholders.

14. STRESSES the need to ensure that transport and logistics fully recover from the current COVID-19 crisis. UNDERLINES that the economic response to that crisis offers an opportunity to accelerate the sustainable transformation and modernisation of the transport and mobility system, and INVITES the Commission to swiftly present the progress made in preparing a contingency plan for transport to better address pandemics and other major crises, as requested by the Council in its conclusions on policy considerations for a pandemic and other major crisis contingency plan for the European freight transport sector.
15. STRESSES the importance of also bearing in mind the international dimension of transport policy with a view to enhancing the competitiveness of the EU transport sector, as well as its sustainability and efficiency following global developments, and of playing an active role in international fora, most notably in the context of establishing global standards and maintaining a level playing field.

16. TAKES NOTE of the Commission’s estimate, contained in its Sustainable and Smart Mobility Strategy, of an overall financing gap of around EUR 230 billion per year until 2030 in relation to the measures needed to achieve the vision for a more resilient sustainable and smarter transport and mobility system, including transition efforts. UNDERLINES that an appropriate level of EU financing, as well as of public funding at national, regional and local levels and private resources, is crucial to address the significant investment needs stemming from an increased smart and sustainable ambition across modes. In this context, WELCOMES the EIB Group’s ongoing revision of its financing policy for transport in the broader framework of the Climate Bank Roadmap 2021-2025 and STRESSES the need to align that financing policy with EU transport policy objectives along the lines set out in these Council conclusions.

17. CALLS for the Commission to monitor on a regular basis whether the policy actions envisaged in the Sustainable and Smart Mobility Strategy are sufficient for the realisation of those EU transport policy objectives, or whether additional measures might be necessary.