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# The Future of Urban Mobility After Covid19

Global cities

by [Tobia Zevi](#)

Mobility is a constantly evolving field. Until today, the success of Global Cities around the world was highly dependent on the **efficiency of their infrastructures**, as well as on their ability to maintain them. However, over the last two years, the coronavirus pandemic seized control of our lives, leading to substantial social and economic changes. Even if it is still unclear whether these huge transformations will be long-lasting or will fade in time, **Covid-19 has undoubtedly changed the world as we knew it**. Consequently, nowadays urban mobility's evolution will depend on new factors, like the post-pandemic adoption of home-office. Which is the contribution of "smart mobility" to the competitiveness of a country – and of its cities –

within the new global context? What is the bond between big urban areas and the central government? **What will be the role of Global Cities** in achieving the Goals of the Agenda 2030? What can we learn from the current best practices?



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## Next Generation EU: A Paradigm Shift in European Mobility?

Nothing will ever be the same. It's hard not to share such a clear yet simple assessment of the effects of the COVID-19 pandemic. In the short span of a few weeks, indeed a few days, ordinary human activities were disrupted. The impact was immediate and particularly visible in cities where traffic frenzy and traffic [...]

by [Luigi Borré](#)

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COVID-19 pandemic. In the short span of a few weeks, indeed a few days, ordinary human activities were disrupted. The impact was immediate and particularly visible in cities where traffic frenzy and traffic jams were suddenly replaced by deserted streets and unreal silence. After a phase where disorientation and fear prevailed, both private citizens and members of institutions, government bodies, and authorities had the opportunity to reflect and learn from the new situation; prompting us all to look at our future in a different way. Indeed, when we began to think about returning to "normality", **we realized how inadequate it was to consider a mere "restoration" of pre-pandemic living conditions**. So much so that the "new normal" has become one of the most used and popular expressions of our times, implying that nothing will be like it used to, not so much because of the impossibility of a total "restoration", but because it is not desirable in the first place.

While in the past the **European Commission** may have gotten entangled in often sterile debates between experts, politicians, and public opinion, in the face of the emergency, it has **shown unprecedented readiness and strength** of reaction with a "wing-stroke". Three interventions should be highlighted: the flexibility of state aid rules; the suspension of the Stability Pact and the related budgetary constraints; and the use of the EU budget and the 2021-2027 Multiannual Financial Framework to launch a revival and recovery plan for the Union's economy in a spirit of solidarity towards the worst affected countries.

**"Next Generation EU" (NGEU)**: the plan's very name introduces a new perspective – the revival and recovery plan for European economies, approved by the European Council on July 21st, 2020.

It is a massive plan, worth 4.5% of the EU's total annual gross domestic product (GDP). The resources allocated to Italy, one of the countries worst affected by the pandemic, are worth over 10% of its GDP.

The NGEU's total value amounts to **EUR 750 billion** and brings together various instruments, the most important being the European Recovery and Resilience Facility (RRF), worth EUR 724 billion divided between 386 billion in loans and 338 billion in grants (therefore without repayment obligation). "Recovery" and "resilience", as per the RRF acronym, are not as effective as NGEU in expressing the true connotation of the designed tool. If its objectives are attained, beyond the "recovery" and "resilience" of the previous system, it will achieve a **"new functional model" for Europe's economic and social system**. This will imbue the "new normal" we have all been referring to with new meaning. Moreover, the RRF's goal is to help the European Union **achieve climate neutrality by 2050**, tracing a path for the digital transition: once again, nothing to do with the restoration of the old paradigm.

Thus, the Community Instrument (RRF) directs and binds member states in the use of resources on the basis of **six specific pillars**: the green transition; digital transformation; economic cohesion, productivity and competitiveness; social and territorial cohesion; health, economic, social and institutional resilience; and policies for the next generation. It also stipulates that each National Recovery and Resilience Plan (NRRP) must assign at least 37% of the total allocation to climate objectives and 20% to digitisation targets.

It is worth mentioning that **this instrument is financed by the EU's own budget** rather than the more commonly used transfers from member states' national budgets. For the first time in the history of the Union, its budget will be in deficit in the face of the issuance on world markets of its own financial instruments: **eurobonds**. Here, too, it is a question of opening a new frontier towards horizons the Union is yet to explore.

Below, Table 1 shows an overview of RRP's for individual EU member states, with a focus on the chapter of

climate objectives and, within this, the mobility projects.

**Table 1**

RECOVERY AND RESILIENCE PLAN - STATE OF PLAY (1)							
MEMBER STATE	RECOVERY AND RESILIENCE PLAN (RRP) (€ /mln) (4)	of which Grants (€ /mln) (4)	of which Loans (€ /mln) (4)	Climate objectives (5)	RRP for climate objectives (€ /mln)	Investments in mobility within the "Green transition" (€/mln) (6)	Investments in mobility / RRP for climate objectives
AUSTRIA	3.461	3.461	-	58,70%	2.032	843	41,49%
BELGIUM	5.924	5.924	-	49,60%	2.938	1.300	44,24%
(2) BULGARIA		-	-				
CROATIA	6.295	6.295	-	40,30%	2.537	728	28,69%
CYPRUS	1.206	1.006	200	41,00%	495	87	17,59%
CZECH REPUBLIC	7.036	7.036	-	42,00%	2.955	n.a.	n.a.
DENMARK	1.551	1.551	-	59,00%	915	259	28,30%
ESTONIA	969	969	-	41,50%	402	96	23,87%
FINLAND	2.085	2.085	-	50,10%	1.045	40	3,83%
FRANCE	39.368	39.368	-	46,00%	18.109	4.400	24,30%
GERMANY	25.613	25.613	-	42,40%	10.860	5.400	49,72%
GREECE	30.497	17.770	12.728	37,50%	11.437	440	3,85%
(2) HUNGARY		-	-				
IRELAND	989	989	-	41,80%	413	164	39,67%
ITALY	191.482	68.881	122.602	37,50%	71.806	32.100	44,70%
LATVIA	1.826	1.826	-	37,60%	687	295	42,97%
LITHUANIA	2.224	2.224	-	37,80%	841	347	41,27%
LUXEMBOURG	93	93	-	60,90%	57	31	53,65%
MALTA	316	316	-	53,80%	170	50	29,37%
(3) NETHERLANDS		-	-				
(2) POLAND		-	-				
PORTUGAL	16.606	13.907	2.699	38,00%	6.310	967	15,32%
ROMANIA	29.182	14.240	14.942	41,00%	11.965	5.700	47,64%
SLOVAKIA	6.329	6.329	-	43,00%	2.721	801	29,43%
SLOVENIA	2.482	1.777	705	42,40%	1.052	292	27,74%
SPAIN	69.513	69.513	-	39,70%	27.596	13.200	47,83%
(2) SWEDEN		-	-				
	<b>445.051</b>	<b>291.175</b>	<b>153.876</b>	<b>39,85%</b>	<b>177.344</b>	<b>67.540</b>	<b>38,08%</b>

Of the RRF's 724 billion, **the Commission has so far finalised the allocation of EUR 445 billion in funds**, split between 291 billion in grants and 154 billion in loans. Overall, the projects approved allocate **almost 40% of their share to climate goals** (compared to the 37% minimum set by the Commission), for a total amount of over EUR 177 billion.

This goal represents most of the sustainable mobility projects, amounting to over 67 billion, or about 38% of the total funds for climate objectives. **A second important chapter is energy efficiency**, which accounts for just under 30% of these funds. It follows that, also in relation to the total RRF funds already allocated (445 billion), the share devoted to sustainable mobility in member states' developed projects is very significant, accounting for over 15%.

A further interesting fact is that, with very few exceptions (e.g., Greece and Finland), **mobility projects absorb a very large proportion of the resources allocated** to climate goals, including **between 30% and 40%** of the total sum for most countries, with an average of 38%. The per capita data also show interesting elements. See table 2 below.

**Table 2**



## RECOVERY AND RESILIENCE PLAN - Per capita data

MEMBER STATE	Population	RRP per capita	RRP for climate objectives per capita (€)	Investments in mobility within the "Green transition" per capita (€)
AUSTRIA	9.006.398	384	226	94
BELGIUM	11.589.623	511	254	112
BULGARIA				
CROATIA	4.105.267	1.534	618	177
CYPRUS	1.207.359	999	410	72
CZECH REPUBLIC	10.708.981	657	276	n.a.
DENMARK	5.792.202	268	158	45
ESTONIA	1.326.535	731	303	72
FINLAND	5.540.720	376	189	7
FRANCE	65.273.511	603	277	67
GERMANY	83.783.942	306	130	64
GREECE	10.423.054	2.926	1.097	42
HUNGARY				
IRELAND	4.937.786	200	84	33
ITALY	60.461.826	3.167	1.188	531
LATVIA	1.886.198	968	364	156
LITHUANIA	2.722.289	817	309	127
LUXEMBOURG	625.978	149	91	49
MALTA	441.543	717	386	113
NETHERLANDS				
POLAND				
PORTUGAL	10.196.709	1.629	619	95
ROMANIA	19.237.691	1.517	622	296
SLOVAKIA	5.459.642	1.159	498	147
SLOVENIA	2.078.938	1.194	506	140
SPAIN	46.754.778	1.487	590	282
SWEDEN				
	<b>363.560.970</b>	<b>1.224</b>	<b>488</b>	<b>186</b>

Data for **Italy** are striking. Though facilitated by the amount of funds received, **it still allocates over 500 euros per capita to mobility projects: about three times what other states have done on average.** Here, too, the comparison with Greece— which has received similar funds in proportion to its population — is remarkable. Note that Greek per capita values for mobility projects are less than one twelfth compared to those intended for Italy. This is despite the fact that their per capita values of the environmental objective funds are not particularly far apart. In general, **Italy allocates resources towards sustainable mobility that, proportionate to its population, are far superior to those of other countries.**

For a more accurate perception of the data above, it must be said that other chapters of the NRRP can also incorporate projects that are, in fact, intended for mobility innovation. In Italy's case, these additional projects — mainly relating to infrastructure — are worth about EUR 10 billion on top of to those more directly aimed at climate objectives. The different NRRPs have non-homogeneous and overlapping joints. For this reason, it is difficult to provide a precise summary of individual member states' projects by homogeneous categories on the use of Community funds.

Based on the available evidence, the figure for sustainable mobility funds across all the NRRP's projects can be estimated at around 20% of the total funds made available by the NRRF. This is significantly close to the minimum quota required by the Commission to be allocated to digitisation projects. Thus, **sustainable mobility and digitisation account for about 40% of NRRF funds**, which in turn is the predominant part of the NGEU. The link between sustainable mobility and digitisation is not accidental. The period of restrictions on individual movements imposed by the pandemic has shown that digital tools have indeed been crucial



to averting a full-on interruption of individuals' professional and social activities. **Digitisation itself is a prerequisite for the implementation of sustainable mobility projects** and is, as such, a fundamental complement to this.

These new projects' role within the allocation of EU funds for new paradigms of mobility and digitisation confirm that the "wing-stroke" promoted by the European Commission strongly directs us towards **very different models from those we come from**. It is now up to each member state to make efficient and effective use of the funds made available, while it will be up to the Commission to ensure this is conducted in line with the NRRP. Once again, Jean Monnet's wise thoughts prove true: *"l'Europe se fera dans les crises et elle sera la somme des solutions apportées à ces crises"*.

#### SOURCES:

[Next Generation EU – Factual Information 1](#)

[Next Generation EU – Factual Information 2](#)

[Next Generation EU – Factual Information 3](#)

[Next Generation EU – Factual Information 4](#)

[Summary of the assessment of the \[Member State\] recovery and resilience plan](#)

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