

# **The impact of COVID-19 pandemic on the regulation of local public transport in the European Union**

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## **Abstract**

Public transport belongs to the most sensitive regulatory areas at all government levels, due to the particularities in the organization of the sector, as well as its societal, ecological and economic significance. The European Union is now an important supranational actor in the regulation of such services, even for those provided at the local level. The first part of the paper focuses on urban public transport and the impact of the relevant EU regulatory framework. In particular, it aims to highlight the ways as the application of EU state aid and competition rules as well as specific instruments of EU transport policy (sectoral legislation, policy papers and relevant European funds) have influenced the financing and management of local public transport in European cities, from the early 2000s to date. The impact of EU climate change policy as an essential factor in shaping regulatory priorities in local public transport is also considered here.

The sensitivity of the sector is even more highlighted in times of crisis. Local public transport (LPT) is among the main public services sectors immediately impacted by the COVID-19 pandemic. Partly on the basis of empirical findings, the second part of the paper focuses on the effects of the coronavirus by examining how the main European LPT regulatory models responded to the challenges of the pandemic and related restrictive measures (lockdown etc.). The main policy and legislative responses at the EU level aiming at the overall resilience of the sector and their adaptability in the above models are also examined in this section. In particular, the analysis focuses on the impact of emergency measures adopted under the relevant sector regulation [Reg. (EC) N°1370/2007] and exceptional state aid measures based on the ‘Temporary Framework’ of the European Commission. In doing so, the author examines whether such measures as exemptions to the generally applicable EU public procurement, concession and state aid rules achieve their objectives (i. e. provision of public services in times of crisis) and whether they comply with the principles of transparency and legal certainty. The problems, challenges and good practices highlighted in this section will also be illustrated by examples from selected cities in certain CEE countries including a ‘Budapest case study’.

The paper is based on comparative policy investigations and analysis of the relevant European, national and local regulatory framework including the decisions of the European Commission brought in individual cases. The empirical part of the analysis is mainly built on publicly accessible data sets from Eurostat, mobility trends reports, international transport organizations’ (UITP, EMTA, POLIS) publications (ridership statistics etc.), Eurobarometer surveys and certain national statistical offices. Information for preparing the case study examples will also be collected from annual reports and other publicly available documents of national public transport authorities and local transport operators.