

## Understanding transport poverty

Transport poverty refers to a lack of adequate transport services necessary to access general services and work, or to the inability to pay for these transport services. Intertwined with social vulnerabilities, such as low income, old age or disabilities and with regional disadvantages, it has mainly been discussed at EU level in the framework of the 'fit for 55' package and the sustainable and smart mobility strategy. The European Parliament has addressed the topic on several occasions, in a resolution, two written questions and a 2021 debate on transport poverty.

## What is transport poverty?

The <u>concept</u> of 'transport poverty' is recent and has no established definition in the academic or policy literature so far. The term is generally used to describe <u>situations</u> when people do not have access to essential services or work because of a lack of affordable or available transport options. Some of the <u>elements</u> leading to transport poverty suggested in the literature to date include:

- No transport availability (the lack of transport options or low frequency, also referred to as mobility poverty);
- 2. No accessibility to transport (for disabled people for instance);
- 3. Low transport **affordability** (inability to meet the cost of transport);
- 4. Too much time spent travelling (also referred to as time poverty);
- 5. Inadequate transport conditions (available transport options are dangerous or unsafe).

In a broader <u>perspective</u>, transport poverty can also refer to individuals or households who do have access to affordable transport options, however, since transport represents an important share of their budget (10 % or more), they are therefore sensitive to increases in transport price.

Transport poverty often correlates with <u>social vulnerabilities</u>, such as household poverty, unemployment, or reduced mobility. <u>Social groups</u> particularly impacted include women, the elderly, young people, low-income earners, and disabled people. Living in a disadvantaged region (rural, peripheral or remote areas, including outermost regions or islands) also increases the risk of transport poverty.

The COVID-19 pandemic has <u>exacerbated</u> transport poverty, as fear of the virus and social-distancing measures led to a decline in the use of public transport, in favour of private cars and cycling. Consequently, the social gap increased between those who had these options and those who did not, because they could not afford a car, or because it was too far to cycle or walk to work and teleworking was not an option.

## **EU** policy context

The <u>European Pillar of Social Rights</u> lists transport (alongside water, energy, sanitation, financial services and digital communication) among the essential services to which everyone should have access, and highlights the necessity to support people in need in accessing them. As requested in the Social Pillar <u>action plan</u>, in September 2022, Eurofound published a <u>report</u> on access to essential services for people on low incomes. The report urges the development of a common concept of 'transport poverty'.

In the context of the <u>sustainable and smart mobility strategy</u>, which is part of the <u>EU Green Deal</u>, the European Commission issued a package of proposals to support a transition to cleaner, greener transport in 2021. In this context, the Commission's <u>communication</u> on the new EU urban mobility framework greatly emphasises safe, inclusive and affordable public transport, which 'must be at the centre of sustainable urban mobility planning, be available and attractive to all and offer barrier-free access'.

Transport poverty has also been discussed in some proposals under the 'fit for 55' package, presented in July and December 2021, and adopted to deliver the European Climate Law's binding objective of climate neutrality in the Union by 2050, and a binding intermediate target of a net domestic reduction in



greenhouse gas emissions of at least 55 % compared to 1990 levels by 2030. In July 2021, the Commission proposed to set up a <u>Social Climate Fund</u> to mitigate the social impacts of the increase in the prices of fossil fuels and the emissions trading system for buildings and road transport. This fund would support vulnerable households, micro-enterprises and transport users. Based on social climate plans to be developed by the Member States, the fund should support measures and investment to reduce vulnerable groups' emissions in these sectors, and could also cover direct income support. This support would be a temporary measure accompanying the decarbonisation of the housing and transport sectors, as it does not address the root causes of energy and transport poverty.

The second package of Commission 'Fit for 55' proposals, published on 14 December 2021, included a Council Recommendation on ensuring a fair transition towards climate neutrality (adopted on 16 June 2022). The recommendation refers to the concept of 'transport poverty', recognising that parts of the population are 'unable to attain a socially and materially necessitated level of transport services'. It also states that the situation could get worse unless alleviating measures are taken, suggesting developing indicators to assess transport poverty. To prevent and alleviate energy and transport poverty and to attenuate the impact of policy measures, Member States should ensure tax-benefit systems and social protection systems are fair, and provide, additional measures where necessary, improving risk-awareness, risk reduction and risk transfer solutions.

## The European Parliament

In its <u>resolution</u> on the Commission proposal on the Social Climate Fund adopted in June 2022, the European Parliament voted to introduce a definition of 'mobility poverty', referring to households with high transport costs or limited access to affordable public or alternative modes of transport, necessary to meet basic socio-economic needs. The Parliament pointed out that the measures and investment supported by the fund should benefit vulnerable households and transport users who are particularly affected by the impact of the transition to climate neutrality, in particular households in energy poverty and citizens in mobility poverty. The resolution highlights that particular attention should be paid to those living in rural, remote and less-accessible areas, or in less-developed regions, including carbon-intensive regions with high unemployment. Member States should include the costs of measures providing temporary direct income support, including reduced taxes and charges on electricity, as a transitional measure for vulnerable households and transport users affected by energy and mobility poverty, to absorb the increase in road transport and heating fuel prices. The Parliament and Council are currently engaged in trilogue negotiations on the proposal.

On 15 December 2021, the Parliament held a <u>debate</u> on transport poverty with European Commissioner for Transport, Adina Valean, who explained that the Commission aims to understand and monitor transport poverty better. Members raised concerns that environmental measures, such as further taxation of fossil fuels, could contribute to higher transport poverty for already disadvantaged social groups. Some Members pointed out that noise and air pollution can also be seen as a part of transport poverty. More access to public transport, shared mobility and greener transport modes were highlighted as possible means to reduce transport poverty.

Two parliamentary questions tabled for written answer mention transport/mobility poverty alongside energy poverty. On 6 October 2021, Esther de Lange (EPP, the Netherlands), Markus Pieper (EPP, Germany), Jessica Polfjärd (EPP, Sweden), Marian-Jean Marinescu (EPP, Romania), and Sunčana Glavak (EPP, Croatia) asked the Commission about expected developments in the number of people living in energy and mobility poverty in each Member State, bearing in mind the European Green Deal proposals. The Commission answered that different tools and measures are used to monitor national indicators and to support Member States in addressing energy and transport poverty.

On 26 October 2021, Bogdan Rzońca (ECR, Poland) <u>addressed</u> linkages between the implementation of the 'fit for 55' package and increasing energy and fuel prices, affecting households and possibly leading to energy and transport poverty. In its <u>answer</u>, the Commission suggested that the design of the 'fit for 55' package spreads the costs of tackling and adapting to climate change fairly. This includes a Social Climate Fund (SCF) dedicated to addressing the risks of a disproportionate impact of including buildings and road transport in the EU Emissions Trading System on the energy poor and other vulnerable groups.