

# **GREEN STREET**

## European Funding Solutions for Sustainable Urban Transport

Mary Bonar

Focusing on the Commission's Communication:

"A sustainable future for transport. Towards an integrated technology led and user friendly system."

- LRT systems are greener than buses and cars in terms of Greenhouse Gases and particulates emissions;
- Contrary examples of "polluter pays" principle: in Manchester where car drivers reject the use of congestion and Nottingham;
- Impractical to shift to "user pays" for urban public transport because:
  - high subsidised usage
  - private sector funders do not usually take revenue/ridership risk;

- European standardisation should make LRT systems more affordable;
- London Mayor sees conflict between on street tram and use of limited roadspace for road vehicles;
- lessons from UK funding model for LRT, i.e. 75% central government 25% local government contribution - difficult to get central government approval; so
- National funding rules as well as differing taxation and welfare arrangements will lead to different outcomes in different EU countries.



**Mary Bonar**  
Stephenson Harwood  
Finance Group

Switchboard: +44 (0)20 7329 4422

Direct Dial: +44 (0)20 7809 2061

Direct Fax: +44 (0)20 7003 8255

Mobile: +44 (0)7774 864 419

Email: [mary.bonar@shlegal.com](mailto:mary.bonar@shlegal.com)

[www.shlegal.com](http://www.shlegal.com)