**Question:**

Section 1 “Regional aid” is divided into two sub-sections: Subsection A “Regional investment and operating aid” and Subsection B “Urban development aid”. Considering that art. 13 is part of Subsection A we would like to ask the Commission whether the sectors excluded by the latter are also excluded from the scope of urban development aid under art. 16.

The question is asked also due to the provisions Commission Guidance for Member States on Integrated Sustainable Urban Development which in section 2.3.4 specifies that one of the areas in which the financial instrument could be particularly suitable is the urban mobility. In this respect, we would like to ask the Commission clarification about what type of transport projects can be included for purposes of financial instruments under art. 16?

**Reply:**

The exclusion of the transport sector from the scope of regional aid under Section I of the GBER as stipulated at Article 13(a) applies also to regional urban development aid covered under Art 16  GBER. The "transport sector" is defined at Article 2, para. 45.

As to what type of urban development projects related to transport can be supported by the financial instruments under Article 16 GBER, supported projects must comply with Art 16(2) GBER  and Article 13 (a) GBER which excludes the transport sector as well as related infrastructure. This would exclude, for example, urban development projects which support the acquisition of assets by transport undertakings (e.g. rolling stock) or the renovation/construction of train/metro stations.

Conversely, this would not exclude urban development projects which provide a more general contribution to transport and/or urban mobility in a city,  improving the overall passenger flow, for example the renovation of bicycle paths or pedestrian paths between train stations or connecting train stations with port infrastructure (intermodal transport), etc. These examples should explain the logic underlying these provisions, but not define the exact eligibility conditions.

Disclaimer: This reply does not represent a formal and definite position of the European Commission but is only an informal guidance provided by the services of DG Competition to facilitate the application of the GBER. It is therefore not binding and cannot create legal certainty or legitimate expectations.