

# MOBILITY BUDGET

## SUSTAINABLE CORPORATE MOBILITY USE CASES

### DESCRIPTION

Monetary incentives are a tool for encouraging employees' transition from private vehicles to more sustainable modes such as cycling, walking, electric vehicles or public transport. Mobility budgets are more flexible than other monetary incentives since they can encourage several different sustainable modes. Legislation encouraging companies to put in place mobility budgets exists or is being discussed in several European countries, like France and Belgium. Due to its flexibility, a mobility budget can take on different forms: differentiated reimbursements of transport costs to employees (more sustainable modes are reimbursed at a higher rate); creating mobility funds that employees can access for use on sustainable mobility modes and/or other factors impacting sustainable mobility like proximate housing and personal protective equipment (PPE); assigning to each employee a sustainable mobility allowance to be spent on a given mode. A mobility budget signals the employer's engagement in making mobility more sustainable and provides benefits that can attract employees.

**Objectives pursued:** Reduce carbon footprint, pollution and congestion. Increase awareness of sustainable modes, improve talent attraction, employee retention and health by fostering active modes.

**Context:** This practice can be adopted in any context and is a complementary strategy to other implemented sustainable mobility strategies. Businesses are successfully implementing mobility budgets in many European cities, like Paris, Amsterdam or Brussels.

### Main benefits

The availability of a budget that encourages sustainable mobility is proof of an employer's commitment and support to employees; hence it can improve a business' attractiveness and employee awareness of sustainable mobility.

### Possible challenges and how they can be addressed

As with any corporate expenditure, accounting for funds used and adequate record-keeping is critical. If it's not efficiently done, tracking of transport use, reconciliation

of allotted funds and maintaining transparency becomes difficult. This can best be managed using mobility and expense tracking apps or self-declarations by employees. The legislation for a mobility budget depends on the country. Understanding taxation and tax benefits for mobility budgets and providing all needed documentation in different contexts can be challenging. To overcome this challenge, businesses can resort to third-party service providers who can counsel and provide tools to track employees' mobility budgets.

**Cost elements:** Dependent on the number of employees concerned

and the tax benefits. In some cases, the only cost incurred by the business is linked to the mobility and expense tracking, the allotted mobility budget being financed by the government.

### Metrics for impact evaluation

A business can determine the impact of this practice using [mobility surveys](#) to get employee feedback, assess the number of employees shifting to sustainable modes and run a cost-benefit analysis on savings or costs incurred.

### Our members who have mobility budgets in place

