

External and infrastructure costs in transport

Business perspective

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The role of transport and infrastructure

- Transport (infrastructure) essential for EU competitiveness and the single market (9% of EU GDP)
- Today's transport infrastructure network does not deliver
 - Cost of congestion: approx. €250 bn/year
- Demand for transport services expected to increase
 - €1.5 tn needed for TEN-T and related investment between 2021-2030
 - Member States also responsible
- An **integrated approach** is needed for the internalisation of external costs



Internalising transport external costs – an integrated approach

- Care must be taken: the aim should be to **minimise** external costs for society at large and not to fully monetise them
- Monetary measures should be **fair, simple, and transparent**
- **Equal treatment** between all modes of transport
- Revenue must **feed in to the infrastructure and environmental financing mechanisms**



External costs and clean mobility

- The polluter-pays principle has the potential to ensure cleaner mobility – Must be based on an integrated approach
- Innovative solutions should be facilitated, while safeguarding technology and fuel neutrality
- Right market conditions must also be ensured:
 - Adequate infrastructure availability (e.g. charging stations for EV)
 - Public bodies as first movers through green public-private partnerships
- There needs to be a discussion around Life Cycle Analysis: should not be implemented without the right methodology

