

AD/B4143/MBI

Brussels, 30 March 2009

**EUROPEAN COMMISSION DOCUMENT
THE FUTURE OF TRANSPORT**

IRU observations relating to the Focus Groups' Report "The Future of Transport".

I. BACKGROUND

The European Commission (EC) published the White Paper "European Transport Policy 2010, time to decide" in 2001. It sets out the key transport policy priorities until 2010. The two main issues were the attempt to decouple transport growth from GDP growth and a forced modal shift from road freight transport to more environmentally friendly modes. In 2005-2006, the EC reviewed its 2001 White Paper concluding that decoupling freight transport from GDP growth is difficult and that the forced modal shift does not work. The co-modality principle was introduced in this mid-term review. The EC has recently started to expand the co-modality principle to passenger transport, but this concept is only in its very initial stages.

The year 2010 is rapidly approaching and the EC has started to reflect on future EU transport policy beyond 2010. To this extent, DG TREN created three "focus groups" to initiate an in-depth reflection on the factors that will determine the future of transport, notably the external drivers of the transport system and the system responses to them.

The final report of the focus groups is now available on

http://ec.europa.eu/transport/strategies/doc/2009_future_of_transport/2009_the_future_of_transport.pdf

This report will be used as input to the EC Communication on the Future of Transport foreseen later in 2009. The results of the stakeholder consultations on the EC Communication will then be used to draft the next Transport Policy White Paper which should be presented in 2010, which was confirmed during the large multi stakeholder conference that was organised by the EC on 9-10 March 2009. The IRU actively participated in this event. During the conference, it was also made clear that the policy debate would be refocused towards 2020, without however losing sight of the 2050 perspective.

II. CONTENTS OF THE FOCUS GROUP REPORT

Chapter 1 serves as an introduction which sets out the structure of the report.

In Chapter 2, facts and figures on the EU transport sector are provided, ranging from economic aspects to social and environmental aspects.

Chapter 3 identifies a number of drivers which shape transport activities such as ageing, migration and internal mobility, urbanisation, regional integration, globalisation, climate change and technology.

Chapters 4 and 5 try to describe a possible scenario which could develop on the basis of these drivers and the consequences for transport. The ageing population with a higher demand for mobility, migration and larger, more congested cities, saturated infrastructure, a continuing globalisation of the economy with decreasing transport prices, energy security and negative impact of climate change are the most important elements in this scenario. Technology is considered capable of playing a key role in mitigating the negative impact of the different drivers.

Chapter 6 lists a number of elements which could influence this scenario, such as evolutions in welfare, the geopolitical situation, climate change developments and availability of public funding.

Chapter 7 identifies a number of policies which could improve the evolution of transport, such as continued search for modal shift (when acceptable), accelerated introduction of new technologies such as ITS, further integration of the transport networks, reorientation of infrastructure policy with a possible reduction of public funds as a means of finance, the introduction of pricing schemes and market efficiency measures, further completion of the Single market, better information and training and more focussed research.

Chapter 8 lists the main conclusions of the report which emphasise that the dependence on fossil fuel and the battle against climate change could turn out to be the biggest challenges in the coming decades. Technological development and research into solutions to cope with these challenges will need to be encouraged. Less energy intensive means of transport and logistics solutions will need to be found. A radical change of transport in urban areas might need to take place. Infrastructure will remain important to guarantee market access and mobility.

III. IRU OBSERVATIONS

The IRU welcomes the stakeholder consultation as well as this ambitious reevaluation of the EU transport policy objectives up to 2050. However there is a gap in the current work, as a reevaluation should include a review of whether the direction set in 2001, which was readjusted in 2006, is still on track, and whether initiatives launched during that period have led to the expected results. This evaluation should then be used to determine the direction of future EU transport policy up to 2050. Buses, coaches and taxis are a major contributor to sustainable and safe mobility for all citizens and should therefore become an integral part of the future EU transport policy.

1. Recognising the role of road transport

The future EU transport policy should continue to follow the decisions taken in the mid-term review of the White Paper where the introduction of the co-modality principle acknowledged the irreplaceable role that road freight and passenger transport play in modern society. However, European policy-makers still have difficulties recognising road transport as a net contributor to society rather than a social and environmental burden. It is essential to further extend the co-modality principle to passenger transport and create an integrated EU travel policy which should focus on the travel chain as a whole whilst recognising the needs, specificities and contributions of the individual travel modes including bus, coach and taxi.

The fundamental contribution of road transport to society's welfare, mobility, economic health and employment are also realities not always immediately obvious to the general public, yet they underpin the modern way of life. Moreover, the sector's numerous own-initiatives to promote advances in sustainable development, environmental performance, and road safety demonstrate a profound commitment to social responsibility and ethical business practices, and should be recognised and taken into account.

Without an explicit reference to the positive net contribution of the road sector to society, transport policy formulation and legislative decision-making have too often become a zero sum game, where

road transport's loss in competitiveness or flexibility is regarded as society's gain, when, in fact, it is a tremendous loss.

For passenger transport, some initial steps have already been taken in the above-mentioned report, where, for the first time, not only buses, but also coaches and taxis have found their place, although still very modest, whilst their combined market share may be equal to the combined share of all other collective passenger transport modes taken together. Indeed, the shortcomings of the EU transport policy in the passenger transport field so far have partly been the result of policy makers ignoring completely the mobility potential of buses, coaches and taxis in the travel chain.

2. What has been achieved since 2001?

In the legislative field a number of the White Paper and mid-term review priorities have been completed and/or initiated:

- Professional Training (Directive 2003/59)
- Digital Tachograph (Regulation 1360/2002)
- Interoperability of electronic road toll systems (Directive 2004/52)
- Transport of live animals (Regulation 1/2005)
- Driving and rest time rules (Regulation 561/2006)
- Rear-view mirrors (Directive 2007/38)
- Public transport services (Regulation 1370/2007)
- Access to the profession and to the market (New proposals to improve the current rules have been tabled and should be adopted in 2009).
- Working time (New proposals have been tabled)
- Cross-border road safety (A new proposal has been tabled)
- Fuel efficiency (A new proposal on tyre labelling has been tabled).
- Clean and energy efficient vehicles (A new proposal has been tabled and should be adopted in 2009).
- Infrastructure charging (A new proposal has been tabled to modify the Eurovignette Directive)
- Passenger rights (A new proposal has been tabled in 2008)

The Industry has also initiated the following on its own initiative:

- The further reduction of road transport emissions and the entry into force of the new, more stringent EURO IV standards in 2006 and EURO V standards in 2008. These are supported and promoted by the road transport industry, which has also been involved in consultations relating to the next generation EURO VI vehicles;
- Improving road transport security and safety by promoting the implementation of voluntary security and driver safety guidelines for passenger and goods transport;
- Proposals for the re-introduction of the 12-day derogation in international occasional coach transport have been tabled and are likely to be adopted in the near future.

3. What has not been achieved?

It is equally important to take stock of what has not been achieved and the opportunities that were forgone, since these seem to reveal core weaknesses in the very assumptions, concepts and principles lying behind the current EU transport policy.

The main goals outlined in the 2001 White Paper, namely modal shift and decoupling of freight transport growth from economic growth, are still being followed by the European Institutions and Member States despite the conclusions of the mid-term review. Even so, as evidenced by all statistical data available, promoting narrowly understood and ideologically over-burdened concepts, such as “modal shift” or “decoupling transport growth from economic growth”, should now be considered policy choices that have simply proven unworkable.

In the mid-term review, co-modality in freight transport was considered to be the solution for the future. However, despite a very ambitious action plan, the EC has not achieved any key results and they are encountering many implementation problems. The faltering exercise to remove logistics bottlenecks, the difficulties surrounding the encouragement of training for logistics personnel, the complexity of dossiers such as the weights and dimensions of heavy goods vehicles and single transport documentation, are examples of issues that still need to be resolved.

Whereas the concept of co-modality has also been introduced in passenger transport, it is far from systematic and no overall approach to travel as such, and travel infrastructure exist at EU level.

Also in the field of urban mobility, the EC has not gotten any further than to publish a Green Paper, publication of the long-promised action plan is still necessary before any implementation can begin.

In addition, a number of long-standing industry requests, such as on the fiscal level playing field between passenger transport modes, the recognition of buses, coaches and taxis as an important element of the mobility/travel chain and the access to the profession rules for taxis were not even considered in the previous debate on the EU transport policy.

4. Review for the future EU transport and travel policy

When reflecting on the future EU transport and travel policy up to 2020 and 2050, it is essential to explicitly recognise the role of road freight and passenger transport in relation to the EU economy, mobility and society as well as its contribution to:

- social and economic integration, including reducing the geographical disadvantages of peripheral countries and regions, and providing vital links to neighbouring countries and regions;
- EU tourism, mobility, safety, protection of the environment and less congestion in urban areas;
- the EU economy and prosperity, since it involves a wide range of industries and services which together contribute to 20% of the EU's GDP and up to 10% of total fiscal income;
- carrying 70% of the total volume of goods and 90% of the total value of goods in the EU, and more than 15% of all passenger movements for bus, coach & taxis alone;
- employment, accounting for 16 million jobs in the EU;
- the efficiency of the EU's transport and travel system, the EU's competitiveness and the quality of life of its citizens, including providing the essential link between all other transport modes and being the main constitutive element of the transport logistics and travel chains;
- sustainable development, based on infrastructure (including secure truck parking areas and coach terminals), incentives and innovation, activities such as road transport industry's voluntary commitments and contribution to environmental protection and road safety.

It is necessary that the future EU transport and travel policy leads to the creation of a positive framework for road freight and passenger transport, thus avoiding situations where EU legislative proposals which are against the road transport industry are made and debated, by downplaying or even ignoring its arguments and contributions. On the contrary, a true, equal and constructive cooperation should be the basis of the EU transport and travel policy.

The framework should be a new start of joint work by authorities and transport stakeholders, including road transport operators towards finding solutions to meet the following future challenges and problem areas:

- **urban transport, travel and logistics** where air quality, congestion and a lack of infrastructure in and around the cities could impede the mobility of people and goods. More efficient public transport systems and distribution of goods are priorities for the transport operators. The role and contribution of private bus and coach sector and taxis should be explicitly recognised and promoted.
- **maintenance of productivity in the EU**, which is essential to uphold the European social model. The transport sector will have to ensure a continued flow of skilled staff and it will be important to consider how an ageing workforce can be better deployed in transport.
- **infrastructure**, guaranteeing free-flowing traffic, which is an essential element for a sustainable European transport system. It is not only a question of maintaining and upgrading existing infrastructure but also one of putting in place missing links, ensuring good connections with peripheral regions and linking the EU network with that of neighbouring countries while bearing in mind that less than 1% of land is used for road infrastructure in the EU. If public/private partnerships are to work properly, benefits for the private sector need to be made more visible and paybacks should be allowed in the short term. The role of freight corridors and dedicated lanes, including for visiting coaches and taxis in urban areas, as well as of intermodal interfaces, secure truck parking areas and coach terminals should be promoted, and appropriate investments from the public hand should be encouraged and made available.
- **energy**, encouraging the establishment of a European energy policy to achieve a more efficient use of fossil fuels giving priority to the professional transport sector until the transport sector has access to economically viable and efficient alternatives. Research into efficient new engine technologies and alternative fuels should be encouraged and incentives should be guaranteed on a long-term basis in order to speed up the entry of new technologies into the market. Transport operators should continue to work towards improving the energy efficiency of their fleet.
- **environment**, the focus should be put on extending the scope of action to the entire transport system rather than addressing only road transport and vehicles. A further reduction of the impact of transport on the environment should be achieved by promoting best practices rather than introducing new rules. Incentives should be provided to encourage the use of best practices, including innovative management practices, and available funds from existing charges, taxes and duties should be reinvested in transport innovation. The impact of the use of green labels should be examined.
- **people**, will remain very important in road transport, travel and logistics. It should be recognised that with the ageing population in the EU, the challenges to find professional staff will increase. It will be essential to find the right balance between the increasing expectations of the workforce and the growing regulatory burden which is imposed on road transport and which impedes on operational efficiency.
- **technology**, recognising that it cannot solve all problems singlehandedly and that ICT solutions should be prioritised based on the needs of the transport sector and the documented effects they have.
- **vehicles**, recognising and encouraging the use of and investment into new vehicle concepts and techniques for road passenger and freight transport in order to make road transport more effective and at the same time facilitate multimodality and contribute to the search for alternative cost-efficient energy sources for road transport.

- **logistics**, further re-orienting the EU transport policy to create a framework for facilitation without arbitrarily favouring one or another transport mode. This should be done by recognising that logistics is market driven. The optimisation, e.g. of combined transport, can only be done if, at the same time, realistic and economically viable principles are applied, such as:
 - Fair and equal competition between and within transport modes,
 - Freedom of choice by users/citizens.
- **travel**, the introduction of the concepts of “co-modality” and “logistics” in the EU transport policy mainstream has been one of the most far reaching policy innovations in the 2006 mid-term review of the White Paper, opening new productive ways for policy-making at EU level. A similar innovative approach at EU level is also needed to address citizens’ mobility, not only in its urban/commuter transport dimension, but also and above all in its travel and tourism dimensions, as a multimodal mobility chain, under the common roof of a future **European Travel Policy**, which does not exist for the moment. Tackling these problems within a coordinated European framework will create a tangible European added value for citizens-consumers and businesses, whilst bringing both short and long-term political and operational benefits to policy and industry stakeholders involved.

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