

EU rules widely ignored as MEPs vote on Euro-5

MEPs look set to approve a delay in vehicle emissions legislation just as damning new evidence is emerging at how EU efforts to improve air quality and emissions are being ignored.

As reported in the September *Bulletin*, the European Parliament's environment committee voted to both delay and partly weaken the programme of Euro-5 emissions standards. If the full parliament approves this decision later this month, then a quick agreement will be reached without the need

for second and third readings of the legislation.

T&E has called on MEPs to reject the proposals, which will delay Euro-5 standards until 2009 or 2010, and Euro-6 standards until 2014-15. Euro-5 will require all new diesel cars to have particle filters fitted, while Euro-6 can probably only be met with NOx filters.

Yet a new survey shows that a number of European cities are failing to comply with EU air quality standards.

The survey on air quality standards comes from the

Italian research institute Ambiente Italia. It shows that only three of the 26 large European cities it investigated are in full compliance with EU air quality standards.

Using 20 environmental indicators such as air quality, pedestrian areas and public transport networks, it says only Helsinki, Göteborg and Heidelberg are doing what they should be. Most of the other 23 cities reported concentrations of microparticles (PM10) above prescribed limits for more than the permitted 35 days a year.

T&E policy officer Aat Peterse said: "We are alarmed at the signal being sent out about the importance of air quality in the EU. MEPs will effectively be voting to slow the pace of change in the car industry, helping to create more ludicrous situations such as Mercedes having a car that meets US standards that won't be on sale in Europe."

A leading chemical company making pollution reduction products says the Euro-5 and Euro-6 limits should be introduced far more quickly. Yara International says: "The relevant technology is at hand for further reductions of NOx emissions."

Meanwhile, the Commission has changed its mind about rejecting a Euro-6 NOx standard for diesels as governments and MEPs were preparing to introduce the standard anyway.

POOR NAPs

The Commission looks set to reject a number of national allocation plans for the second phase of the European Emissions Trading Scheme (2008-12). The environment commissioner Stavros Dimas said: "Much to my regret, the first 17 NAPs propose a cap about 15% above emissions in 2005."

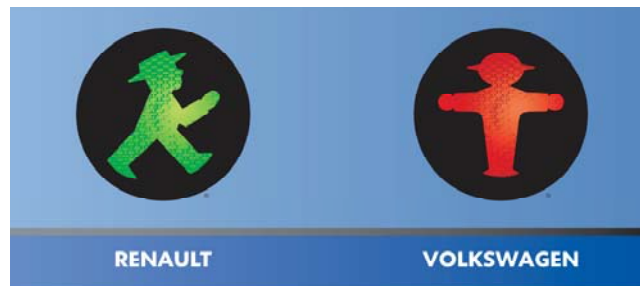
Earlier this month, WWF-Europe published its assessment of the six largest EU countries' allocation plans for the second phase (2007-12) of the ETS. The environmental group says France's plan shows "zero ambition", and Poland's planned 17% increase in allocations for the second phase as "Europe's most ridiculous cap".

EC recommends legislation on CO₂ from cars

A formal recommendation that Europe's car makers should be required by law to reduce carbon dioxide emissions from new cars is expected from the European Commission next month.

The environment commissioner Stavros Dimas told the independent EU publication *European Voice* earlier this month: "We will be bringing out legislation to cut CO₂ emissions from cars soon." Next month sees an EC review of EU measures to reduce CO₂ emissions from cars, and it is expected to include the recommendation for binding legislation.

Dimas was less clear on whether the legislation would set individual targets for car makers or repeat the feature of the current voluntary commitment that gives an average to the entire European car industry. Dimas told *European Voice* that the idea of individual targets was being discussed but "it appears there will be just one



EUROPE'S TWO BIGGEST CAR BRANDS.
ONE BIG DIFFERENCE.

T&E is using the pedestrian traffic light figures from the former East Germany in publicity to highlight how well the the biggest car makers are doing on CO₂ reduction

target for the whole industry."

The organisation representing Europe's car makers, Acea, issued a press release opposing the idea of legislation. "The car industry recognises the decrease in CO₂ emissions has recently slowed," it said. "This is due to strong customer demand for larger and safer vehicles and disappointing consumer acceptance of extremely fuel-efficient cars, which have been brought into the market in line with the CO₂ commit-

ment."

This argument was rejected by the European Transport Safety Council, which says it is not safety that matters but size, comfort and the top speed of today's cars. "Blaming safety is unfair, incorrect and just hides the fact that there are other issues responsible for industry's failure to meet its contract with society," said Professor Claes Tingvall, chair of the ETSC's European New Car Assessment Programme.

TENs rules overlooked as new members rush for roads

EU finance ministers have approved just over €8 billion for trans-European transport network (TENs) projects for 2007-13, amid a growing number of protests against proposed transport schemes – mostly motorways – in the new EU member states.

MEPs and ministers will discuss early next year how the money should be spent, but controversy over how little EU rules are being respected on projects in Poland, the Czech Republic, Bulgaria, Romania and Serbia could influence the allocation.

CEE Bankwatch, the environmental NGO coordinating campaigns on many of these schemes, says the issue is not just the environmental damage these schemes will cause, but the fact that a failure to respect EU processes is leading to overpriced and uneconomic projects being given the green light.

Anelia Stefanova, CEE Bankwatch's transport coordinator, said: "Most politicians are familiar with the so-called list of 30 priority projects and often use this list as arguments in favour of their pet projects being approved. But few of them are aware that the priority projects are just an annex to

Government green light for Stockholm charge
Sweden's transport minister has appointed a committee to reintroduce Stockholm's congestion charge.

The decision suggests the scheme will return in a few months after voters approved it in a referendum in September. But questions remain about the use of revenue, with the new centre-right government keen for it to fund a new western by-pass for Stockholm.

a set of guidelines which include objectives for the optimisation of the use of the existing network, eliminating the bottlenecks and compliance with EU environmental law."

The Via Baltica motorway, which is planned to go through the Rospuda Valley in Poland, is an example of a project which CEE Bankwatch says fails to comply with the transport TEN guidelines. It will pass through four areas that are part of the "Natura 2000" network. In such cases, EU law and the TENs guidelines require alternatives to be considered outside the protected region, as well as a strategic environmental assessment of a corridor to ensure other transport is considered. Yet the Polish government pressed for ap-

proval of their preferred route through the valley without waiting for the results of the SEA. Campaigners say alternative routes exist, some of them likely to be cheaper.

The Vienna-Brno motorway is TEN priority project No. 25, but the Austrian and Czech governments want the new motorway to pass through Natura 2000 sites, despite existing D2-motorway that connects Brno and Vienna via Bratislava passing just a few kilometres away. The Czech ombudsman stated in his report published this month that the authorities made serious mistakes, and violated the SEA by not assessing alternatives to the proposed route. The Austrian government does not plan any SEA despite spending billions of euros on new

infrastructure.

In Bulgaria, the Kresna Gorge, one of the country's most important biodiversity sites, is under threat from a new motorway despite no assessment of an alternative that would avoid the gorge. In 2003, environmental NGOs hired engineers to show that the less damaging alternative was feasible.

And environmental groups in Serbia say the government has broken EIA regulations affecting public consultations for the Belgrade by-pass.

Stefanova added: "With the TENs budget cut from 20 billion to 8 billion, the need to consider alternatives and optimise existing infrastructure is not just an environmental concern but a necessity for wise use of limited public resources."

• *Law report, page 3*

Leaked report says aviation enters ETS in 2011

Details are gradually emerging about the Commission's plans to include aviation in the EU's Emissions Trading Scheme. Although an official proposal is still at least a few weeks away, comments from leading figures and leaks in the media have given a picture of the EC's intentions.

Earlier this month, the environment commissioner Stavros Dimas said all flights entering and leaving EU territory would be liable for ETS emissions trading. This is a change from the original proposal, which envisaged only flights taking off from EU airports in the ETS.

The *International Herald Tribune* newspaper, which says it has seen a draft of the legislation, says the EU would abandon its inclusion of planes landing if other countries introduce similar measures to limit emissions from aircraft. But the chances of that look bleak at present.

The USA is opposed to the EU plans, saying its planes should be exempt from the scheme. Yet the Chicago Convention, the *de facto* constitution for international aviation, explicitly forbids discrimination of carriers on the basis of their nationality.

The International Air Transport Association says the EU should wait for the International Civil Aviation Organisation to find a solution. Icao holds its triennial general assembly in October 2007, but this meeting is more likely to challenge the EU initiative than broaden it into a global course of action.

A Commission environment official, Lars Müller, said at a UN climate conference in Nairobi this month: "We know the US is lobbying against this, but we are not inclined to give in."

The ETS's first phase has been criticised for having too high a "cap" on emissions,

which has led many environmental NGOs to question how much difference the ETS would make to aviation.

T&E director Jos Dings said: "Legally the US argument has no basis. The Bush administration seems unable to bend at all towards Europe on climate change. Conversely, it's obvious that they would not allow EU carriers to be excluded from their safety regulations, for instance."

In an indication that the US political climate may be changing, three leading American senators, who will chair committees on energy issues, have written to George Bush saying they are "not satisfied with the level of US participation in international negotiations or in reducing [the USA's] domestic greenhouse gas emissions" and asking for his support "to pass meaningful climate change legislation in 2007".

• *Editorial, page 3*

A stern warning about the need to cut fossil dependence

In 2006 there has been a rush of high-profile events which are pushing energy and climate issues up the EU agenda. Record temperatures in July, September and October, an ex-US-vice-president making a bold film on climate change, an ex-filmstar-turned-US-state-governor promoting bold climate policies, Russia using gas as a tool to threaten Ukraine and Georgia, soaring oil prices and increasing “resource nationalism” have all made headlines across the globe. Yet perhaps the most significant event in the news last month was the Stern report on the economics of climate change.

This report by Nicholas Stern, the ex-chief-economist with the World Bank, was commissioned by Gordon Brown, the British finance minister and probably next UK prime minister. It is not the first report on the economic impact of climate change, but it has captured most interest, perhaps because it comes after all these high-profile developments. Stern, who had no views on

climate change when he started, said climate change represents a bigger threat to the global economy than the two world wars of the last century, and taking strong action is a lot cheaper than doing nothing and waiting for disaster to happen.

Some economists criticised the report, yet the underlying assumptions not only seem robust but Stern has played very safe with what he has included. His report does not even take into account that virtually all OECD countries – those that use the bulk of the world’s energy – are huge net energy importers, not least of oil. And that these countries, if they could lower their demand for that oil, would not only import fewer barrels but cause the price to go down. For net energy consumers, the case for using less energy in general, and less oil in particular, is even more compelling than Stern has pictured.

Using less fossil fuel used to be a favourite topic only for the environmental move-



Jos Dings
T&E Director
EDITORIAL

ment. The Stern report and the critical energy situation make it clear that the issue has much broader appeal, and very slowly this awareness is trickling into broader politics. It is hoped this context will influence the three very important energy and climate topics in transport that will be debated over the next few months: the follow-up to the car makers’ voluntary CO₂ commitment, the review of the biofuels directive, and the inclusion of aviation in the Emissions Trading System.

Unfortunately, the car lobby, Acea, seems unable to produce helpful comments on enhancing the fuel economy of cars, because the better half of its members stands to gain a competitive edge over the worse half. Then the only way out for Acea is to point to options like driver education or simply say “stop”. The biofuel industry and the farm lobby will oppose the replacing of volume-based biofuel targets by carbon-based targets (which favour good biofuels

over bad ones) and biodiversity certification. This overlooks the fact that failure to move in this direction is an immense business risk because their business is built on the fragile (but still broadly favourable) public image of biofuels – it only takes a few sharp documentaries to change that. And on aviation, the Bush administration is still trying to do everything in its (dwindling) power to stop Europe spreading its climate policies across the Atlantic – this despite the fact that the administration is by the day less representative of the American people’s opinion on energy and climate issues.

The challenge for Europe’s politicians and officials will be to keep the bigger picture in mind – that action is cheaper than inaction. Acting with the environment in mind is not a nice idea to keep the countryside looking beautiful but a matter of sound economics. This are excellent opportunities for Europe to show that it can withstand narrow sectoral lobbying and act for the greater economic and environmental good.

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ECJ judgement clarifies habitats protection, but is it a deterrent?

The European Court of Justice has confirmed a ruling which finds Portugal guilty of breaking the EU habitats directive. The case (C-239/04) is interesting for its relevance to several schemes in central and eastern Europe (see page 2).

When drawing up plans in the 1990s for the A2 motorway linking Lisbon with the coastal Algarve region in the south, the Portuguese government routed a section of it through the Castro Verde special protection area (SPA).

An environmental impact assessment in 1999 showed the route would have a very

significant negative impact on 17 species of wild birds listed in Annex I of the habitats directive (92/43/EEC) and on their habitat.

The Portuguese government went ahead anyway without considering alternative routes for the motorway, and the stretch of the A2 through the Castro Verde was opened in July 2001.

The Commission told Portugal that the directive required it to at least investigate alternative routes (which effectively meant through the towns of Alcaarias, Conceição, Aivados and Estação de Ourique), and that if routing

the A2 through the Castro Verde was considered a matter of “overriding public concern”, it should take all possible steps to minimise damage to the SPA. Convinced that Portugal had not fulfilled its obligations under article 6(4) of the directive, it began legal action in 2001.

In its judgement last month, the ECJ said: “The inevitable conclusion is that, when authorising the planned route of the A2 motorway, the Portuguese authorities were not entitled to take the view that it would have no adverse effects on the SPA’s integrity ... The fact that, after

its completion, the project may not have produced such effects is immaterial to that assessment.” It found for the Commission and awarded costs to Portugal.

Yet the costs of the case may be the only punishment for Portugal. The motorway has been built, and what damage has happened to the Castro Verde site is now done. The danger for other SPAs, and perhaps for the credibility of EU law, is that governments may decide that the cost of a lost court case is simply something to be factored into the cost of a controversial road scheme.

Clean up of bunker fuels needed to clean up shipping

A coalition of environmental groups, including T&E, has called for a stricter set of emissions for shipping fuels, in an attempt to end the health and environmental damage caused by bunker fuels.

The coalition – which includes European, American and international NGOs – wants the shipping industry and governments to make use of next summer's meeting of the International Maritime Organisation's marine environmental protection committee to introduce stricter fuel and engine emissions limits. They would then come into effect in 2010.

Shipping has generally been seen as an environmentally friendly means of transport, but that profile has been damaged by the use of low-quality fuels (particularly with high sulphur content) used in most ocean-going tankers. Evidence is growing of people getting ill and dying early due to inhaling diesel exhaust from ships, and by 2020 marine emissions are projected to exceed land-based emissions in Europe.

The coalition wants reductions of 40-50% in NOx and sulphur oxides by 2010, with sulphur content of bunker fuels to be down to 1% by then, with stricter limits by 2015, and a ban on on-board incineration in coastal waters.

Several shipping nations support improved standards, but others have strong links with shipping and oil interests, and the coalition fears they may slow down the drive towards cleaner fuels and

lower emissions.

• A six-month trial in the North Sea in which sulphur emissions have been traded has cut pollution, a group of shipowners and operators has reported. It said vessels taking part in the scheme produced emissions corresponding to an average sulphur content of 1.2%, which is lower than the 1.5% sulphur limit due to be introduced in the North Sea a year from now.

CAR SHARING FOR THE CLIMATE

A report for the Swiss energy agency says car sharing can make a sizeable contribution to combating climate change. It says sporadic use of a shared car allows people to forego a second car – or have no car at all – which in turn leads them to make most journeys by public transport. The report finds that only a seventh of the average car sharer's travelling is done in the shared car, but if car sharing didn't exist and people had their own car, car usage would go up by 26% and public transport use down by 12%. The report says the overall energy savings of car sharing were equivalent to 2.5 million litres of petrol or 290kg of CO₂ per customer saved, which in turn highlights the potential of car sharing to reduce transport's contribution to warming.

LONG-TERM TARGET

An industry-dominated advisory group says the EU should set itself a long-term reduction target for greenhouse gas emissions, whether or not there is a post-Kyoto international agreement. The "high-level" group on competitiveness, energy and environment was set up in February with the aim of providing input for the EU's

first common energy policy expected early next year. Its report, described by a representative from WWF-Europe as "politically quite amazing", calls for a target of 60-80% below 1990 levels by 2050 – this target was recommended by the Intergovernmental Panel on Climate Change, but was overlooked by EU leaders last year.

SPEED = EMISSIONS

Enforcing a maximum speed limit on motorways could prevent millions of tonnes of CO₂ emissions, according to a British research centre. It says if the British national speed limit of 70mph (112km/h) was enforced, almost four million tonnes of CO₂ emissions could be avoided. An average petrol car emits around 14% more CO₂ per kilometre at 130km/h than at 112, yet more than half of cars exceed the 112km/h limit, with one in five driving at more than 130.

PALM OIL BAN

MEPs have called for an EU-wide ban on biofuels made from palm oil. In a debate on the Commission's proposals for an EU transport biofuels strategy, the European Parliament's industry committee expressed concern about the impacts of palm oil production on forestry, in particular the destruction of tropical forests and other highly valued ecosystems.

STATE AID RULES

The Commission is proposing to relax its rules on state aid, saying any government subsidies of €200 000 or less should not count as state aid. But it says the rules would not apply to buying vehicles. Road lobby groups say it would reduce incentives

for hauliers to replace older vehicles with cleaner ones.

ALPINE APPROVAL

The EU last month approved the transport protocol of the Alpine Convention. The signing commits the EU to support a policy of sustainable development in transport in the Alpine region, including a commitment to building no new motorways through the Alps. T&E member the Alpine Initiative is pushing for an Alpine Transit Exchange system of tradeable permits for transport through the Alps.

REACHABILITY INDEX

The Swiss national statistics office has published a "reachability index" to find out how far people have to travel from home to public services. A study on how easy it is to reach 20 services – including schools, shops, doctors' surgeries, crèches and cinemas – showed residents of rural areas have to travel up to five times further than those in urban areas. It also found the average distance to food shops increased between by 8.3% in 1998-2001. Campaigners say the findings are evidence that increasing dependence on cars leads to less accessibility.

Bulletin

T&E Bulletin is the official news sheet of the European Federation for Transport and Environment (T&E). It appears 10 times a year and is free to members of the Federation.

T&E has 45 members registered in a total of 21 countries. It lobbies for an environmentally sound approach to European transport issues.

The next issue will appear in mid December. The deadline for contributions to reach either the T&E secretariat or the editor is Friday 15 December 2006.

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New Publications and Events

• **Measures to curb the climate change impacts of aviation**, T&E & Climate Action Network, from T&E website