

SSFT- how to make European freight transport more sustainable

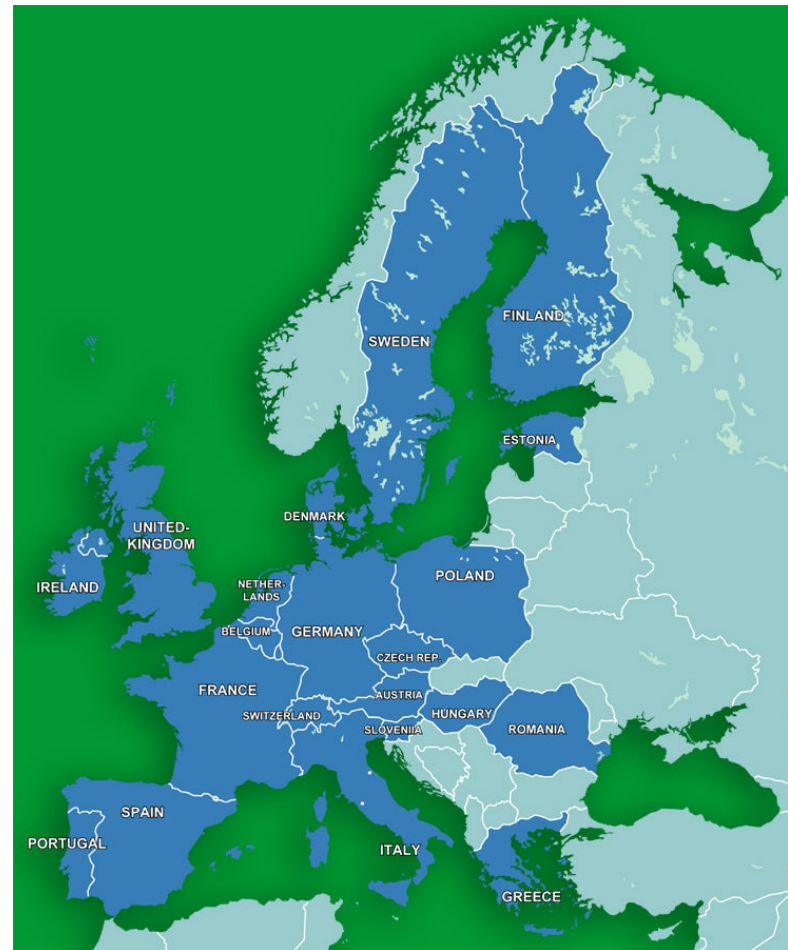
Jos Dings

Vitoria-Gasteiz, 07 April 2005

About T&E

Members in:

- Austria
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- Germany
- Greece
- Hungary
- Italy



Structure

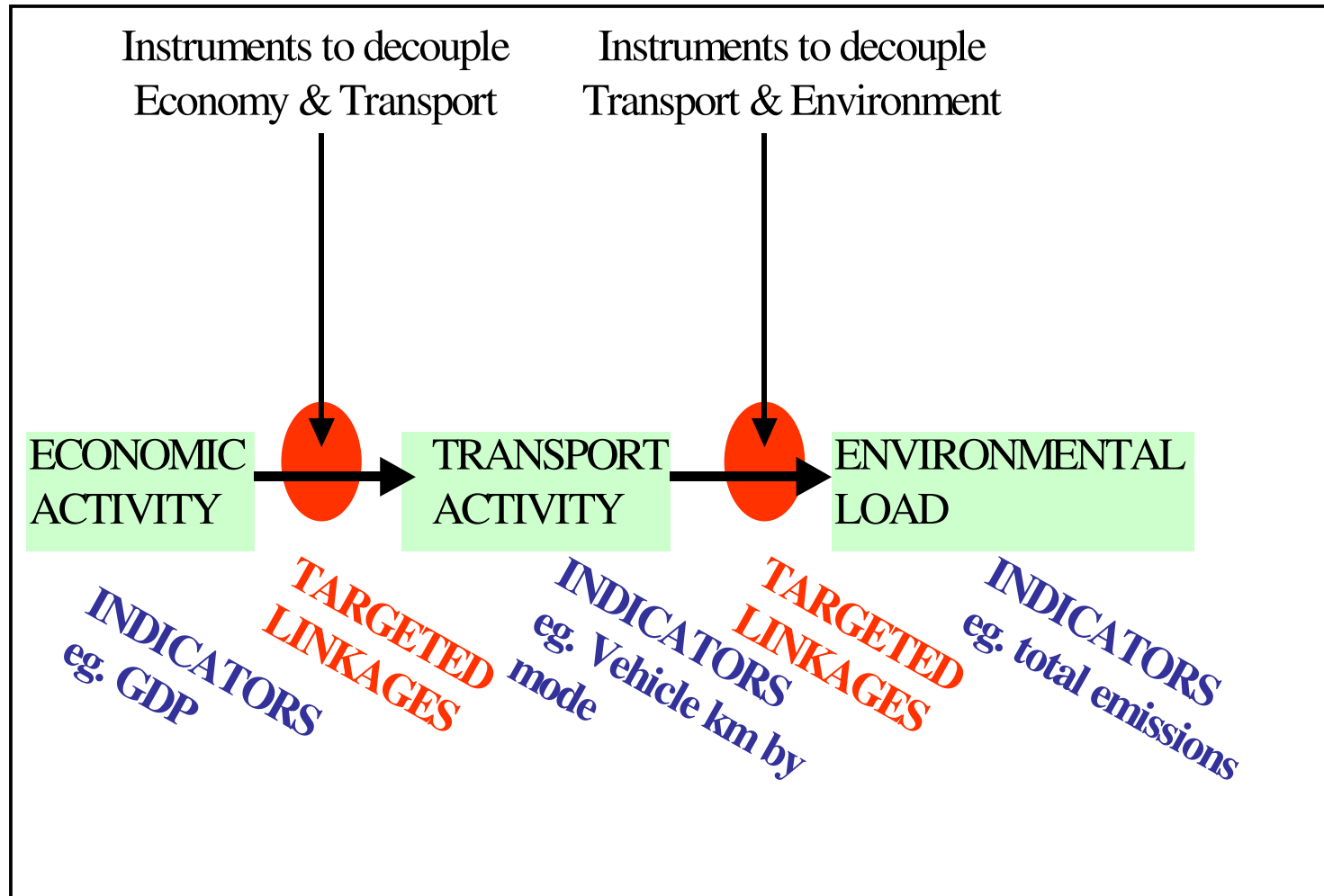
- **EU's objectives for Sustainable freight transport**
 - Decoupling transport growth from economic growth
 - Modal shift

- **Policies for sustainable freight**
 - Smart investment
 - Real cost pricing
 - Clean up all modes
 - Level playing field

Part 1

Objectives for Sustainable freight transport

Decoupling economy, transport and environment



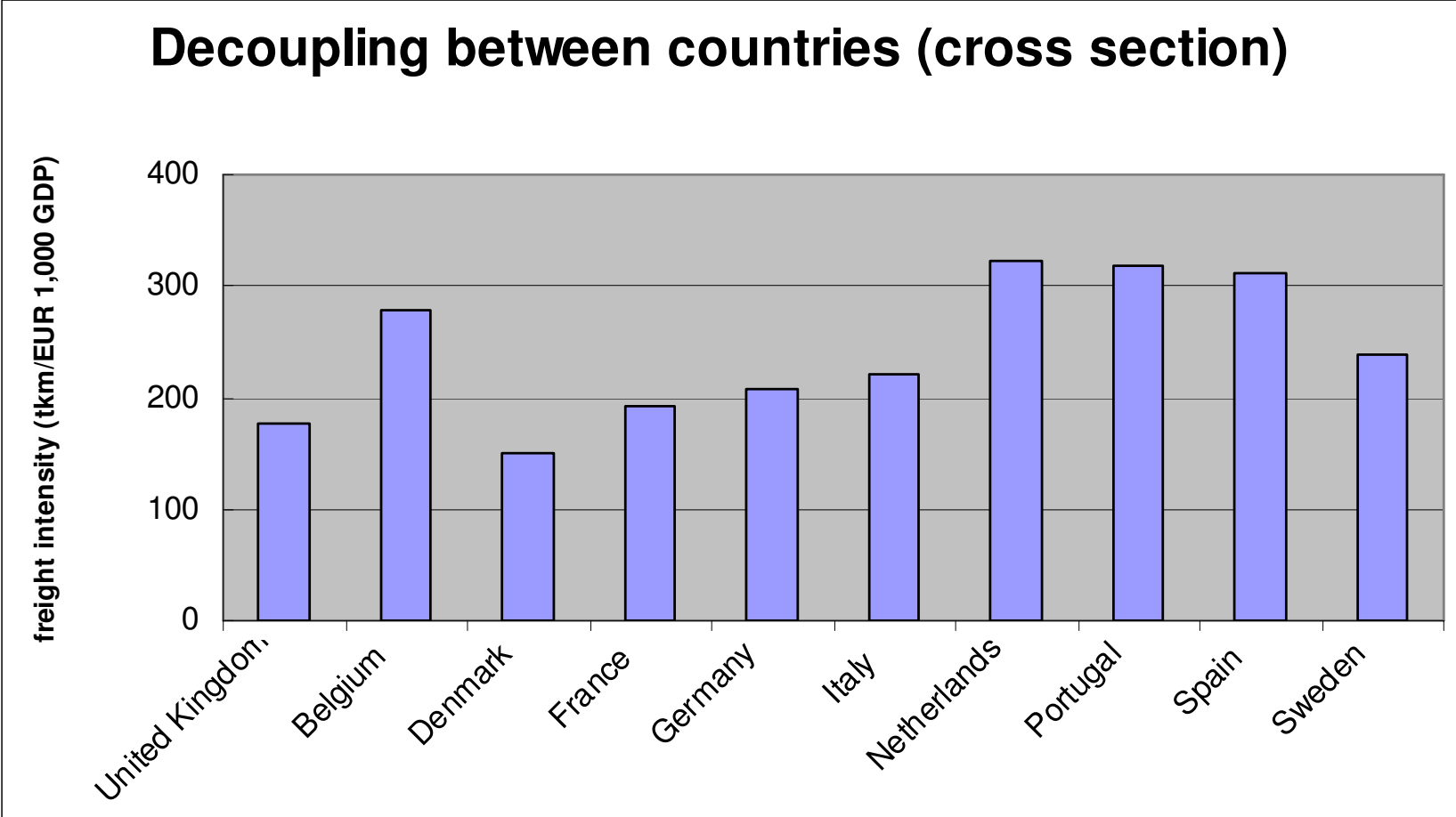
EU objective 1 for sustainable freight

**Decoupling economic growth
from transport growth**

Decoupling economy from transport: myths

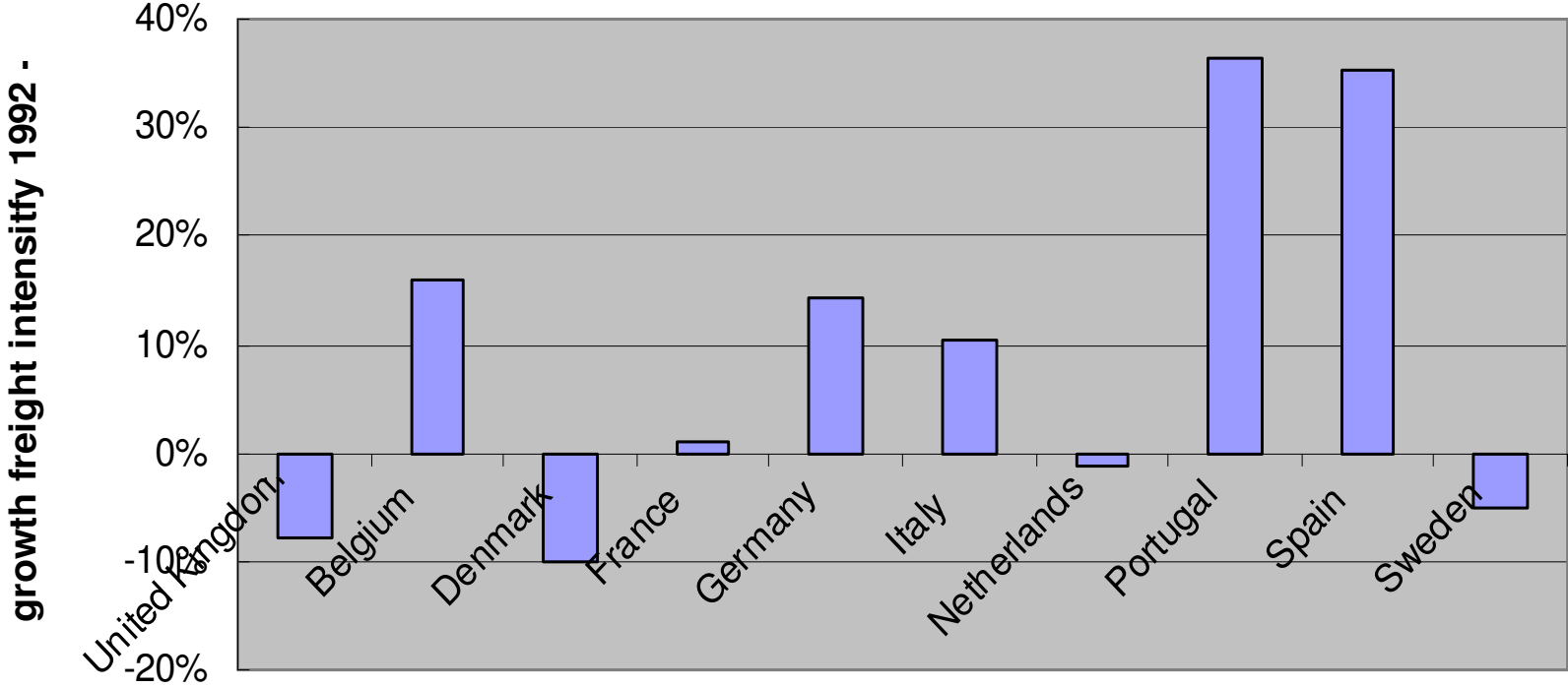
- Transport is the motor of the economy**
- Less transport means less economic growth**
- Traffic growth is unavoidable**
- Reducing traffic and road pricing frustrate economic development**

Transport intensity in EU Member States, 2001



Transport intensity: development over time

Decoupling over time (1992 - 2001)



Decoupling economy from transport: facts

- **Decoupling possible: flourishing economy, less dependence on transport**
- **Good scores: UK and Scandinavia**
 - Need little transport to earn money
 - Situation improved
- **Bad scores: Spain/Portugal**
 - Need lots of transport to earn money
 - Situation worsened
- **Great potential for environmental improvement**

EU objective 2 for sustainable freight

**Modal shift: rail freight share in 2010
back to 1998 level**

Modal Shift

- o More rail does not mean less road !!**

Results from modal shift policy

- Massive investment in *new* rail megaprojects (TENs !!)...
- .. that are often poor value for money
- Existing railroads crumbling down

-> Negative decoupling ?

-> Less road transport ?

-> Environmental impact ?

- Reframe target to: increase use of *existing* rail infrastructure ?

Part 2: achieving sustainable freight

1 smart investments

2 make transport pay its way

3 clean up all modes

4 level the playing field

Investment, rule 1: brains better than asphalt

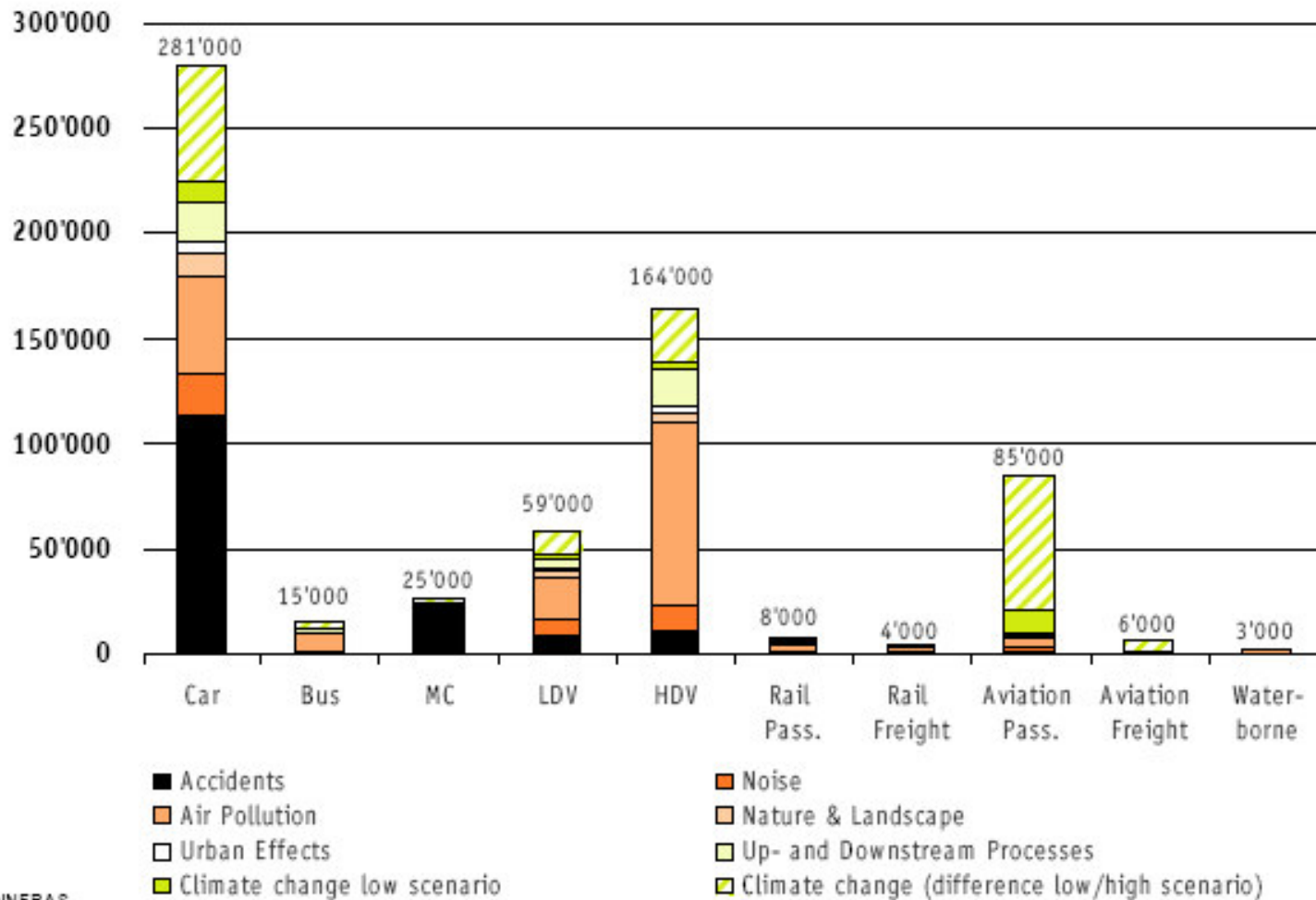
“putting more resources into education and training is likely to offer better returns for the economy and employment than infrastructure investments” (US Transportation Research Board)

Rule 2: no blank cheques, six double checks

1. Can **demand management** do the job ?
2. Can better using **existing** capacity do the job ?
3. Can **small improvements** do the job ?
4. Is the project **worth the tax money ?!!!**
5. Will project benefits indeed accrue to intended **regions** (two way road argument)
6. Can the **environmental impacts** be minimised ?

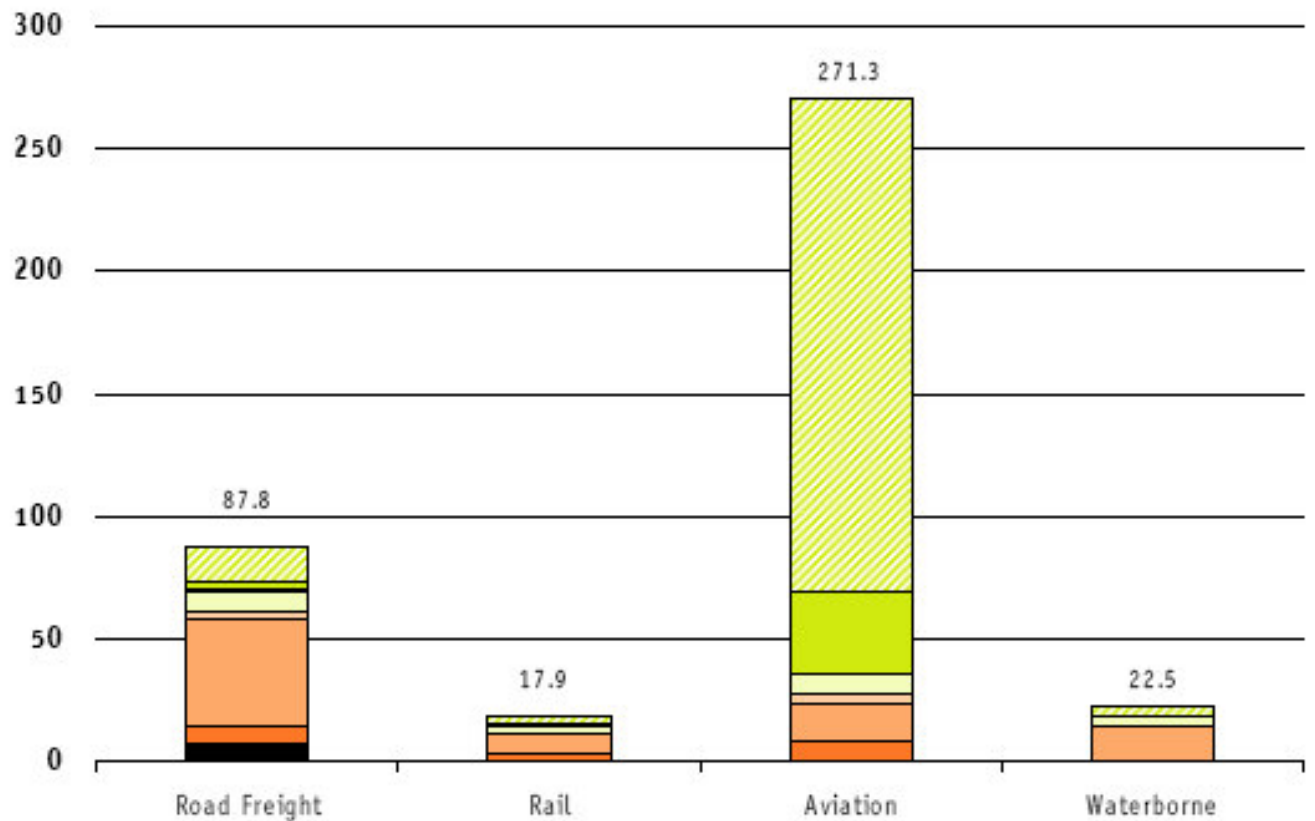
Pricing: External costs in 2000, EU17

Mill. € per year



External costs in EUR per 1.000 tkm

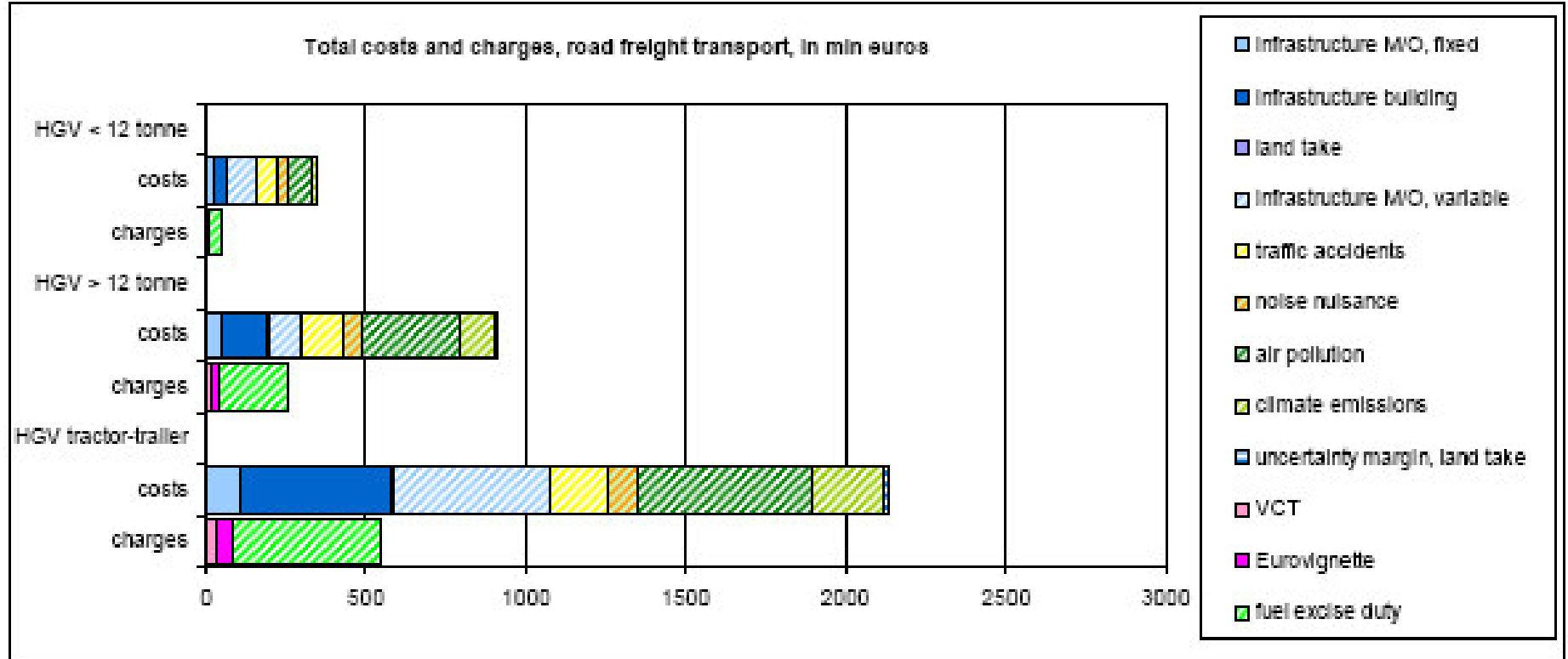
€ per 1000 tkm



- Accidents
- Air Pollution
- Up- and Downstream Processes
- Climate change low scenario
- Noise
- Nature & Landscape
- Urban Effects
- Climate change (difference low/high scenario)

Pricing: make transport cheaper for society

External costs vs charges NL road freight



Why pricing social costs is a good idea

- Better price **STRUCTURE** gives incentives for cleaner, fuller, less damaging lorries
- Higher price **LEVEL** avoids unnecessary road transport
- Better air, less congestion, less road damage
- More employment due to lower 'bad' taxes, e.g. on labour

Clean up all modes

- Stronger rules & quicker transition to clean & safe trucks**
- Clean up (short sea) shipping !**
- Railways: time to solve noise issue**
- Aviation !**

Level playing field

- **Road liberalised, rail is not**
- **Road interoperable, rail not**
- **Social / safety rules & enforcement**
 - strict for rail
 - less so for other modes

In brief

- 1. If lorries are the problem, then tackle lorries !**
 - 2. Countries flourish with less transport**
 - 3. Investment**
 1. Brains, not concrete !
 2. Big rail projects not the silver bullet
 3. Six double checks before spending
 - 4. Clean up all modes !**
 - 5. Level playing field**
- > Less pollution, lower taxes, more employment**

For more information

www.t-e.nu