

Industry coalition cracking over sulphur

Europe's motorists can now buy considerably cleaner fuels – and the development is forcing cracks in the coalition of oil producers.

Last month diesel with just 10 parts per million (ppm) of sulphur went on sale in Germany, and the government is expected to bring forward the introduction of lower tax on the fuel which it originally intended introducing in 2003.

Under EU legislation which emerged from the Auto-Oil Programme, diesel must have no more than 50ppm by 2005. T&E has always advocated a low sulphur standard as fairer to

human health and the environment, and the availability of 10ppm diesel confirms this stance.

Now Europe's oil companies, whose umbrella organisation Europia said 30ppm by 2005 was not possible, are putting out conflicting statements and responding differently to their own markets.

Some companies are actively promoting the 10ppm standard. For example, Shell and BP Amoco raced each other to be first to introduce the fuel in Germany, and a BP Amoco environment official said companies should act now and “not wait for

legislation to force us to do something we believe is anyway the right thing to do” (see May *Bulletin*).

Other companies are less enthusiastic about the developing sulphur standard. A spokesman for the US giant Exxon was quoted last month in the leading industry magazine *European Fuels News* as saying Shell introduced 10ppm sulphur because it wanted good publicity after the Brent Spar disaster.

Europia is still stressing the need to renew car fleets in Europe rather than improve EU sulphur specifications. At a major fuels con-

ference last month, its president Jean-Paul Vettier said “not much” could be achieved through more stringent fuel specifications. He argued against introducing tax incentives for 10ppm sulphur fuel “before it has been studied and validated at the European level.”

T&E policy officer Frazer Goodwin said: “Europia has moved from backing tough EU car standards before the Auto-Oil Programme to advocating more local measures to solving air quality problems. It is therefore ironic that in the face of market fragmentation they are now resuming their call for tough EU car standards.”

The public nature of the dispute within the industry prompted *European Fuels News* to run a story on the disintegration of the oil coalition. Under a front page headline, “Every man for himself?” it says the coalition is falling apart because some companies are implementing environmental regulations early rather than working together with their competitors to block them.

Meanwhile EU environment commissioner Margot Wallström last month called for a consultation on raising fuel standards to make 10ppm sulphur fuel the European norm from 2005. The consultation period ends on 31 July and will help the Commission decide whether to reopen the issue. It is widely thought the Commission wants to improve the standard to 10ppm, and that this will be popular with MEPs.

Referendum moves Swiss closer to EU

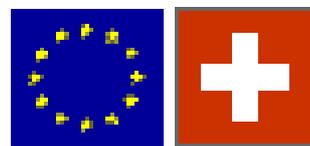
Over two-thirds of Swiss people have approved closer ties with the EU.

In a referendum last month they agreed the package of seven agreements, including one on land transport.

The deal will permit Switzerland to continue charging heavy goods vehicles for using transalpine routes, while progressively allowing lorries over 28 tonnes to use Swiss roads: unlimited access from 2001 for 34-tonne vehicles and from 2005 for 40-tonners.

In a separate development, Switzerland has found itself involved in a potential dispute over aviation noise at Zurich's airport, Kloten.

Alarmed at the increasing amount of air traffic from Kloten, most of which flies over south Ger-



many, the German government last month cancelled a 1984 agreement which allows Kloten to use German airspace. The agreement will now expire in 2001.

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The Zurich-based newspaper, *Tagesanzeiger*, criticised the promoters of “open skies” in Switzerland, saying: “Without having won any benefit for their own citizens, they are now being slowed down by their European neighbours.”

• See commentary on the bilateral agreements, page 3

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Austrian transit traffic takes 'buy now, pay later' approach

Environmental concerns are taking a back seat in Austrian transit traffic.

This is the opinion of T&E member VCÖ, reacting to the news that important environmental safeguards on transit traffic, negotiated as part of Austria's membership of the EU, are being ignored and could be modified.

For environmental reasons, Austria insisted on limits to transit traffic when it joined the EU, and these were incorporated under Protocol 9 of the accession agreement. Under the protocol, member-states are given a certain fixed number of "eco-points" to distribute to their hauliers, with the total number of eco-points being reduced each year.

Each lorry passing through Austria pays a number of eco-points proportional to its emissions. The goal is to reduce pollutants by 60% over 12 years.

The protocol also limits

the absolute number of transit journeys. If the total in any one year exceeds the base year (1991) by more than 8%, then there is a 20% reduction in available eco-points the following year. This happened in 1999, but so far in 2000 member states have ignored the reduction and used their eco-points as if they had a full allocation.

If the agreement is to be implemented, transit traffic should halve between now

and January 2001. The Commission has instead proposed spreading the reductions over a four-year period, 2000-03, as it believes implementing the agreement would have "disproportionately major negative consequences".

While there will be debate about which option to take, there are concerns that the environment will be the real loser. "In principle, it doesn't really matter which

of the two options is taken," said Wolfgang Rauh of VCÖ.

"The most important thing is that the spirit of the agreement is kept and the environment protected. Member states have so far ignored the environmental agreement with impunity, and it seems likely they will want to continue their 'buy-now, pay-later' approach to the accession agreement."

Environmentalists criticise slow anti-smog action

Germany is set to introduce wide-ranging fiscal measures to reduce ground-level ozone or summer smog.

The government last month promised to formally propose a 14-measure package this summer, aimed at cutting emissions of NOx, the most important chemical that causes ozone, by 75 000 tonnes or 30% within five years.

Among the Berlin gov-

ernment's proposals are an emissions-related tax on motorcycles – among the first tax specifically related to motorised two-wheel transport – extra motorway tolls for vehicles without denitrification equipment, and emissions-related charges for aircraft. In addition, Germany's environment minister Jürgen Trittin has suggested public transport be made free for children and half-price for adults where ozone concentrations are high.

However, the move has been sharply criticised by environmentalists for ignoring present problems. While they agree the initiative will bring significant benefits in the long-term, they point to the lack of short-term action as unacceptable.

Gerd Lottsiepen, spokesperson for T&E's main German member VCD, said the government had absolutely no plans for reducing ozone this year, and the measures it proposed would do nothing for the next two years. He said a few simple measures would quickly reduce ozone by 12%. "A speed limit costs nothing and works quickly," he said.

VCD has called on the "red-green" government to implement its specific election promise to update summer smog regulations. The previous government headed by Helmut Kohl introduced a law which was heavily criticised by both parties in the present coalition. That law expired at the end of 1999 and has not yet been replaced. This means there are no measures in place at a national level to deal with high levels of ozone. "It's astonishing that any government, especially a red-green coalition, should fail to protect its citizens in the immediate term," said Gerd Lottsiepen.

The government stressed international action remains crucial to solving the ozone problem, with nationally-based measures affecting only about one third of the causes of ozone.

Lead ban brings improved air

Air quality has improved dramatically in France since the ban on sales of leaded petrol came into force at the beginning of the year.

Figures released by the French environment ministry last month show levels of lead in French urban areas fell by an average of just under 42% in the first two months of 2000, against the same two months last year. A total of 12 urban areas were monitored, with the largest change being a 70% reduction of lead levels in Lyon.

Ironically, France was one of the four countries which successfully lobbied for a delay in the date they

could phase out sales of leaded petrol (along with Italy, Spain and Greece), though in France's case only for its overseas territories.

Frazer Goodwin, T&E's Policy Officer, said: "The huge air quality improvements in mainland France are very encouraging; but the French government must value the lives of citizens in its overseas territories differently, otherwise it would not have applied for a derogation."

The EU-wide ban on the sale of leaded petrol was agreed in 1998. Lead is a known poison which among other things can affect the brains of young children.

The sustainable transport movement needs support. The Foundation for Sustainable Transport in Europe was established to provide independence for T&E from public funders. For more information, please contact Matthias Zimmermann at matthiaszimmermann@bluewin.ch

The myth that you can have your cake and eat it

Here are eight myths about reducing the environmental impact of transport.

• *The "three-litre car" will solve transport's climate change problems.* Wrong. A car that can travel 100km on just three litres will produce less CO₂ over 100km, but will also make driving cheaper and therefore more attractive. And with increasing numbers of cars on the road, this will mean more CO₂ overall.

• *New engine technologies will make the car clean.* Cars running on hydrogen fuel cells emit only water-vapour, electric cars not even that. But what about the system as a whole? The power has to come from somewhere, and production of electricity in large power plants continues to be inefficient. Only cars powered by solar energy are really clean, but then what do you do with used solar batteries?

• *New cars are more environmentally-friendly.* Every new car takes about 300 000 litres of water to produce, plus energy. Manufacturing a car uses 20 times more raw materials than the weight of the finished vehicle, so if a car weighs 1.5 tonnes, 30 tonnes were used in its production. It may emit fewer pollutants, but it's hardly more environmentally-friendly.

• *Voluntary traffic safety measures are needed.* Voluntary measures usually don't work. For example, most people ignore voluntary speed limits, so nobody can rely on them. Where obligatory speed limits are introduced, it is common for 80% of residents to be strongly in fa-

vour of them within only a few weeks, despite any initial resistance.

• *By-passes solve problems.* By-passes are only a positive addition if the new system as a whole does not attract more traffic. It is now accepted that building roads creates more traffic. What we need is better use of existing roads: lower speed limits, good public transport and better provision for non-motorised local transport, including walking.

• *Car-parks at railway stations encourage train use.* This may be true, but it is the most expensive and environmentally damaging method, by a long way, to go about it. For the

same cost, cycle racks would have 8 times more effect, good cycle lock-up facilities 13 times, and shorter and improved footpaths to stations 21 times. A good cycle lock-up facility pays for itself from about 1000 places – and where they exist they are usually over-filled.

• *People just don't want to use public transport.* All goods and services were at some stage unknown. To make a product well-known and used requires advertising and special offers. The product must have social prestige and appear to be good value. The secret lies in good, customer-centred communication.



By Matthias Zimmermann
T&E President

A step forward for European transport? Not yet!



The date 21 May 2000 could well become a historical milestone in the development of Swiss-EU relations. A surprisingly high 67% of voters said yes to a treaty on economic relations between Switzerland and the EU, and road transport is an important part of this treaty.

Can 21 May 2000 also be seen as a historical step forward for European environmental transport policy?

NO! would be the first response. Under the treaty, Switzerland must increase its weight limit for lorries from 28 to 40 tonnes, which will make road transport more attractive. This means many goods currently transported by trains will shift to lorries, and more

T&E Project Manager
Markus Liechti on the
Swiss bilateral agreements

freight will be transported in general as it will be cheaper. There will be more lorries in general but specifically in the narrow Swiss valleys. That runs counter to the Alpine Convention, and is not a sustainable transport policy. But...

YES! might be the answer after a second thought. The agreement allows Switzerland to introduce a charge on lorries related to distance driven, weight and emissions. The most remarkable aspect of this is that the charge starts at 3.5 tonnes and applies to all roads, whereas EU rules only allow charges for vehicles above 12 tonnes and on motorways. Furthermore, the charge level is much higher

• *Public transport must be more frequent, more attractive, faster and cheaper.* Yes, but it can't be free. More and better public transport cannot be cheaper at the same time. You can't have your cake and eat it. The money needed for a modern, customer-oriented public transport system is lying in the road. Take it away before the road is built - that's real modal shift.

To get good, efficient and sustainable mobility that benefits all of society, we must recognise that this comes at a price. Part of that price means motorised road transport must play a less prominent role than it does now. And that in turn means recognising that many of the reasons people give for inaction are myths – or excuses to prevent challenging our overdependence on cars.

then any existing or planned user charge in the EU. Nevertheless, there is a fear that this fair and efficient instrument cannot protect the sensitive Alpine corridors from an increasing number of lorries. So the fairest answer might be...

NOT YET! If the Swiss experience leads the European Union to accept a charging scheme for all EU member states on the same basis as Switzerland's, then 21 May 2000 will become an important date in European environmental transport. The Swiss have taken a risk in abandoning a policy aimed at protecting their environment - if the EU-Swiss bilateral agreement leads to a reduction in lorry pollution across the whole continent, it will have been a risk worth taking.

'Term' report shows many worrying developments

Important new research suggests EU transport policy is still far from being – or even becoming – environmentally sustainable.

In its first review of key environmental indicators across the EU, the European Environment Agency (EEA) says the transport system which has evolved in the EU “poses significant and growing threats to the environment and human health.”

Its report “Are we moving in the right direction?” goes on to say that the environmental performance of the transport sector has “generally been deteriorating” and is now a major contributor to environmental problems.

The report is the first response under the EU's Transport and Environment Reporting Mechanism (Term), which was created in 1998 to measure to what extent what is happening in transport is consistent with EU policies to reduce transport's environmental impact.

The report has 31 indicators which together suggest there are still massive inconsistencies between environmental policy and trans-

port practice. For example, many of the gains from better fuel and vehicle standards have been outweighed by growing transport volumes, especially in private motoring and aviation.

It suggests the need to shift from supply-orientated transport policy to a demand-side approach which concentrates on improving access to facilities while restricting transport growth. It also says the use of fossil-fuels must be reduced to meet Kyoto targets and go beyond them.

• *New Publications, below*

SOFTER APPROACH TO CAR FROM GREENS?

Germany's Green party is considering softening its opposition to the car following bad state election results last month. A paper by three leading members due to be discussed later this month says the car is the No 1 means of transport, offering mobility, safety, and status. Opposing mobility will not attract votes, the paper says, so the Greens should adopt an approach based on the principle “individual mobility must be more environmentally sustainable”. The authors recommend maximising use of hydrogen and solar powered vehicles, and cars using three litres per 100km. Their paper is certain to attract major dissent in the party, which is already seen as disunited following the Northrhine Westfalia elections, especially as one of their justifications is that young people can only at-

tend discos in rural areas by car. *See Commentary, page 3*

DISPOSING OF CARS

Car manufacturers will almost certainly have to take responsibility for taking back their cars at the end of their useful life. After initially arguing to limit manufacturers' liability, the European Parliament last month resisted heavy industry lobbying and reached a breakthrough agreement with the Council of Ministers on the “end-of-life” vehicles directive. All cars sold from next year should be taken back at the maker's expense, with all cars on the market earlier than 2001 being the manufacturer's responsibility from 2007. The directive has almost completed its passage through the EU legislative process, and is expected to receive final ratification by the Parliament and Council.

LEARNING BY DOING

Ford last month launched a Europe-wide fuel economy label, a move cautiously welcomed by environmental groups. T&E criticised the label for missing key information and called it a poor substitute for the official labels to be introduced EU-wide from 2001. Ford has also recently left the Global Climate Coalition, a group committed to denying the climate changing effects of CO₂. T&E director Beatrice Schell said: “Ford appears to be learning by doing, which is a move in the right direction, but like all evolutionary processes it

is slow. It must do a lot more if it is to live up to its ambition of becoming an environmental leader.”

TELEMATICS LIMITED

Telematics could worsen transport's environmental impacts. This is according to the German environment agency UBA, which released a study on telematics in transport earlier this month. It argues that although systems of road use charging could have an environmental benefit, systems designed to speed up traffic flow could lead to increases in emissions of both noise and pollutants.

AND FINALLY...

Who needs the environment? That seemed to be the opinion of Estonian environment minister Heikki Kranich, when he said in a recent speech on general environmental policy issues that Estonia does not need environmental provisions as strict as those stipulated by the EU. Mr Kranich's comments worried environmental groups so much that they translated them into English and sent them to the European Commission for comment. The Commission is reported to be concerned.

New Publications

• **Conference proceedings: T&E conference on transport, enlargement and the environment**, T&E Secretariat. Available free from the T&E web-site: www.t-e.nu

• **Are we moving in the right direction? TERM 2000**. EEA, Copenhagen. Fax +45-33 36 71 99 or soon from www.eea.eu.int

• **Leisure traffic – unlimited growth?** NFP41, CHF 29. Also available in French & German. Fax +41-31-325 5058. Summary from www.snf.ch/nfp41

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T&E Bulletin

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T&E has 37 members registered in 2000 in a total of 20 countries. It lobbies for an environmentally sound approach to European transport issues.

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