

16 March 2011

Re.: The Transport White Paper

Dear Vice-President Kallas,

On behalf of Transport & Environment, a network of around 50 organisations working towards sustainable transport across Europe, I am writing to express our views on the draft Transport White Paper. Our comments are based on our knowledge of a draft document dated February 2011.

We feel that the paper contains some good intentions, but it lacks firm commitments and also appears to postpone action until after the current Commission's mandate. The twin challenges of climate change and oil dependence strongly call for more urgent action.

The setting of specific greenhouse gas emissions targets for transport is an absolute necessity to frame future policy development, and as such is very welcome. But we expect more details on the qualitative nature of these targets in the White Paper.

The recognition that decarbonisation is an important hedge against high oil prices, and that specific action is needed on company car taxation, speed limiters for vans and future mandatory charges for lorries is welcome.

Improving decarbonisation targets

Targets and measures that reduce emissions are investments in a more sustainable economy. The White Paper should give signals and incentives for low-carbon innovation, which will create green jobs. The longer Europe waits to give these clear signals and to make these investments, the higher will be the future costs of action, and the higher the costs of *inaction* in terms of the impacts of climate change, oil import bills, energy poverty and competitiveness.

The 2030 target should without doubt be strengthened. Europe needs to show the way now. An emissions target of -20% compared to 2008 levels (i.e. +8% compared to 1990) means that required reductions would only amount to 1% per year until 2030. However, after 2030 emissions are expected to suddenly fall by 5% per year. This strongly suggests the Commission is either putting off difficult measures for later or expecting a 'silver bullet' technological solution. Neither strategy will yield the necessary results.

Technological innovation needs to be stimulated by a high level of ambition, not vice versa. The achievements of the car industry following the setting of EU CO2 targets are an illustration of this. As the draft rightly points out "Delayed action and timid introduction of new technologies could condemn the EU transport industry to irreversible decline."

Making targets meaningful

The target for 2050 of -60% is only meaningful if it is to be achieved domestically, and if it includes the well-to-wheel emissions of the transport energy used.

Consider the problems caused by the current zero-counting of biofuels emissions as an example: by blending 70% biofuels into fuel for cars, trucks, aircraft and ships, the -60% target could appear to be met on paper. But in reality, as you are aware, blending in biofuels

is far from guaranteed to reduce emissions. A clarification that the target applies to 'well-to-wheel' greenhouse emissions needs to be added, as well as a commitment to tackle the carbon footprint of conventional and alternative fuels.

With regard to the White Paper and policy follow-up, we call for a clearer strategy on the following priorities:

Internalising the external costs of transport is a vital tool to manage transport's negative impacts, and not merely a revenue-raiser for infrastructure. It is contradictory that the -60% target for 2050 is coupled with the blunt assertion that 'curbing mobility is not an option'. The draft paper recognises that today's transport patterns already cause market failure on a huge scale in the form of congestion, which needs to be addressed by incentivising smarter use of existing infrastructure.

We therefore ask for a clear commitment to fair transport pricing throughout Europe. Whilst the draft paper contains a further step in the right direction on lorry charging, on aviation and shipping more ambition is needed. Aviation remains heavily subsidised, even after its entry in the ETS, through zero ratings for VAT on air tickets, explicit (and EU rubber-stamped) start-up subsidies for airports and airlines, and non-taxation of the energy component of kerosene. The nudge towards action on VAT on air tickets is welcome and should be expanded to also include EU-wide ticket taxes as a possible instrument to end the harmful VAT subsidy. This needs to be done as a priority, before, as the draft paper says, 'airport capacity needs to be increased in order to face growing demand'; needless to say these subsidies are an artificial boost to demand for air travel. Shipping is the only completely unregulated source of transport greenhouse gas emissions, a situation the EU should commit to ending within a clear deadline.

Improvement of the TEN-T strategy is needed to ensure that EU spending helps to achieve emissions targets by incentivising the cleanest projects. This could be done by offering applicants higher EU co-financing rates depending on the environmental performance of projects. We welcome the proposal in the draft to allow road charging systems to be eligible for EU funding support, but would like to see this supported by a framework that structurally guarantees EU spending priority for the cleanest projects, which contribute to emissions targets.

Addressing transport speed, notably for vans, trucks and ships, would be an immediately effective measure to set Europe on a course towards its emissions targets. For lorries, the German logistics industry and police unions recently called for an 80km/h harmonised limited speed. Environmental groups wholeheartedly support this call. In shipping, Maersk recently ordered ships with lower design speeds to save fuel. This shows that industry is also waiting for a clear EU policy in this field.

I would like to thank you in advance for taking our views into account.

Yours sincerely,



Jos Dings, Director