

# Memorandum to the Belgian Presidency



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**T&E Memorandum to the Belgian Presidency**

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This Memorandum was prepared by the T&E Secretariat in Brussels

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## **RECOMMENDATIONS**

- 1. We urge the Belgian presidency of the EU to take a firm stance on the Common Transport Policy**
- 2. Integration of environmental concerns into transport policy should include concrete targets**
- 3. The Belgian Presidency should ensure that decoupling transport growth and economic growth remains a main community principle**
- 4. We urge the Belgian EU Presidency to lead the community towards adoption of market-based instruments and strict noise standards for aviation during the next ICAO assembly in September; failing which the EU should take unilateral action**
- 5. We urge the Belgian presidency to take firm action on air quality**
- 6. We urge the Belgian Presidency to cooperate with the Commission to ensure the Green Paper on Sustainable Urban Transport is adopted before the end of 2001**
- 7. Belgium should press for speedy adoption of the Directive on Assessment and management of environmental noise; and urge the Commission to adopt a framework directive on ambient noise limits**
- 8. When applying ISPA funds to the TINA processes, involve all actors who play a role in the region and to ensure that a thorough assessment of the environmental implications is considered**

# 1. Introduction: An opportunity to set the stage

The second half of the year 2001 offers the Belgian Presidency a unique opportunity to redirect EU transport policy into line with other EU policy areas.

Developments in the first half of the year have raised transport policy high onto the European political agenda. The adoption of the sustainable development strategy by the European Commission and the discussion at the Gothenburg summit together show a powerful new political will developing across Europe to move transport towards sustainability. The Belgian presidency now has a rare opportunity to ride the crest of this wave and push Europe towards sustainable transport.

Due to the different objectives and the cultures of transport and environment policy-makers, there is often tension between different elements of EU policy. The mutually supportive nature of the issues to be dealt with under the Belgian Presidency, however, offers the Belgian government the opportunity to establish a new EU transport policy framework free of any such tensions. Three issues will be of particular importance during the Belgian presidency.

**Firstly**, the long-awaited new programme outlining the Common Transport Policy is expected to be adopted by the Commission in the first part of the Presidency. This will set the EU's transport agenda for the next ten years. This is perhaps the most important transport dossier which the Belgian Presidency will deal with. **Belgium needs to ensure that it is discussed and adopted as soon as possible during its Presidency.**

**Secondly**, the Gothenburg summit conducted the first review of sectoral strategies for integrating environmental concerns into EU policy, including transport. The Summit delivered a strong mandate to the Commission to strengthen its work on integration. This, coupled with the transport Council's agreement on the need to set environmental targets for the transport sector's integration strategy, give the Belgian Presidency a strong responsibility to keep the momentum up for integration of environmental concerns into European transport policy. The Presidency priorities include "establishing precise goals and concrete indicators" as its goal to give a first impetus to the sustainable development strategy.

**Thirdly**, the Commission adopted the Sustainable Development Strategy during the Swedish Presidency. The strategy contains the strongest commitment yet for sustainable and economically sound transport.

It is important to note that a strong consensus among experts has developed on the need to alter transport policy to support sustainable development. This paper outlines an approach which will allow consistency with the principles of sustainable development for the numerous individual transport related dossiers. This report also outlines how this approach is relevant to the Belgian government's priorities including examples of the kinds of events that the Presidency could consider hosting.

The Presidency may have two important dossiers to consider, though they will not arise before the end of Belgium's Presidency of the EU. The TENs guidelines were to be reviewed in 2001, but now it looks likely that the guidelines will not be reviewed before the end of the year. Equally, the Commission is unlikely to propose a new rail package before the end of the year. This would regulate, among other things, intra-state liberalisation. The government would do well, however, to bear these two dossiers in mind and invite the Commission to complete its work on them as soon as possible.

Underlying all this work is the growing realisation that decoupling transport from economic growth is needed for transport to become sustainable. As a result, following the summary list

of recommendations and the introductory section, this paper is split into three sections. The first of these sections is a resume of the key principle that should govern the Belgian Presidency's handling of transport policy : the decoupling of transport and economic growth. The section outlines the arguments surrounding the principle and then reviews how it should best be applied. Following this overview, the paper turns to examine specific dossiers. These include dossiers that the Belgian Presidency will "inherit", those that will become current under their presidency, and those dossiers to which the Belgian Presidency can turn the attention of the EU.

## **2. Key principles**

### ***2.1 The new Gothenburg consensus on EU transport policy***

The revision of the treaty of the European Community at Amsterdam gave important additional environmental functions to the Community. The Article outlining the objectives of the Community was reworded to more accurately reflect the consensus that had emerged over the understanding of sustainable development. Instead of only referring to sustainable economic growth the objectives of the Community now include “a high level of protection and improvement of the quality of the environment” as well as “the raising of the standard of living and quality of life” in addition to the continued commitment to a “balanced and sustainable development of economic activities”.

This strengthened commitment to the environmental and social pillars of sustainable development is enhanced by Article 6 of the Treaty. This requires the integration of environmental considerations into all the policies of the Community with a view to sustainable development.

In order to comply with these provisions of the Treaty a process was initiated by the Heads of Government and heads of State at the Luxembourg European Council of December 1997. Following a Communication from the Commission, the EU leaders agreed at their summit in Cardiff the following June to initiate a process of sectoral integration that has come to be known as the Cardiff process.

Initially three sectors, including transport, were requested to elaborate a strategy and to report upon it to the leaders at their summits. The Helsinki summit of December 1999 to some extent approved the strategies adopted and requested the sectors to continue their efforts and report once again to their leaders summit in June 2001. Additionally they requested the Commission to develop “a long term strategy dovetailing policies for economically, socially and ecologically sustainable development” for them to consider at the same European Council.

In April this year the transport Council adopted its review of the integration strategy it had elaborated. For the first time this review acknowledged one of the requests of the EU leaders that had so far gone unanswered – targets for the strategy. It was agreed by the Ministers that the time had come to at least explore what potential objectives would be appropriate for the sector. Having been able to draw on the indicators established by the European Environment Agency – the TERM report – and the output of the Commission Joint Expert Group on Transport and Environment, the strategy adopted by the Transport Council was already the most advanced. The agreement in principle to objectives drew them even closer to heads of state or government request.

Yet at the same time, and in several different areas, transport is performing worse than other sectors. Emissions of greenhouse gases for example are continuing to increase thus jeopardising the attainment of EU’s Kyoto commitments. Congestion, pollution and accidents are continuing to cause concern – despite some progress. And the problems surrounding transport prices and the price of fuel in particular had projected the performance of the sector to the fore.

As a result the Commission looked rather attentively at transport when developing their strategy for sustainable development. They searched for the overarching objectives that could be established for the sector so that its objective would contribute to a “dovetailing [of] policies for economically, socially and ecologically sustainable development“. The Commission strategy thus recognised the need and urgency to decouple economic growth and the strong growth of the sector.

This conclusion was strongly supported by the EU leaders at the Gothenburg Summit. Decoupling transport and economic growth has thus been established as the **overall objective for transport policy within the context of compliance with the Treaty provisions for sustainable development.**

## ***2.2 Decoupling transport and the economy: A guiding theme***

In some aspects of environmental performance the transport sector has achieved great progress in recent years. The emission standards for new cars allied to the fuel quality directives are a case in-point. New cars are much cleaner than their forebears and as a result are frequently cited by industry as a successful story in environmental regulation. There is even some merit in this argument, although the standards could still be improved – notably by harmonising diesel petrol emission standards and including particles in the test for GDI engines. However, this viewpoint only takes into account the environmental performance of individual cars, not the environmental impact they may cause overall. Air pollution problems associated with heavy traffic are predicted to continue into the medium term despite improvements – even in urban locations with relatively new car fleets. The reason for this disappointing environmental outcome is the rapid and continued growth of the sector that is offsetting some of the gains achieved from cleaner technology.

Moreover, the underlying problem of sectoral growth worsening the environmental impact of transport is even more acute for those issues where there has not been the same technical progress as the control of noxious pollutants from cars. This concerns particularly emissions of greenhouse gases from the sector. Despite the voluntary agreement between the car industry and the Commission CO<sub>2</sub> from road transport will grow in the first Kyoto commitment period by 25%. The growth in traffic offsetting, and thus negating, the gradual improvements to new car fuel efficiency. This growth is compounded by the trend for freight transport to increase at a faster rate than economic growth.

And the problem is worse in those sectors of the transport industry that are witnessing the strongest growth, notably aviation.

A recent political reaction to this underlying transport trend of environmental damage has been a call to decouple transport growth from economic growth. Such a decoupling has been achieved in other branches of the economy, notably in the energy sector – a similar sector to transport in that it too is a derived demand product. The call originated in the Commission Sustainable Development strategy that was presented by President Prodi to the European Parliament and then to the Gothenburg European Council.

The EU leaders in Gothenburg chose to emphasise the importance of the necessity to decouple transport growth and GDP growth in their brief conclusions responding to the Commission document. This is an important new political commitment for the transport sector, and it comes from the highest political level. Transport ministers and policy makers now need to translate this political commitment into concrete action.

Nowhere is this more important than in the current review of the Common Transport Policy. Our detailed recommendations on the revision of the Common Transport Policy are outlined in section 3.1.1 below. But it is worth emphasising two points here. Firstly the degree of the political commitment to decoupling and secondly the nature decoupling must take.

The “integration process” was initiated by EU leaders requesting action from their sectoral ministers; only for these ministers to partially comply with their requests. The first three sectors “invited” by EU leaders to elaborate an integration strategy were instructed to include within the strategy targets, a timetable and indicators. Yet despite transport being closer than other



sectors to complying with this request all of these elements have yet to be fully incorporated into transports integration strategy. It is high time that the sectoral policy-makers began in earnest to comply with the political commitments their own leaders have made. This is particularly true for this new commitment to decouple transport growth from GDP growth.

This in turn leads to what is actually meant by decoupling transport growth from GDP growth and how this commitment should be implemented. The very reason motivating this new political commitment is to ensure that transport contributes to sustainable development. That wealth creation should not lead to greater social and environmental impacts, but to a genuine improvement in the quality of life of EU citizens. These are after all the Community's objectives.

Decoupling transport growth from GDP growth is necessary precisely because the policy of mitigating the negative impacts of transport - with newer technology or more efficient operations - have failed to prevent the impacts of transport negating much of its benefits. Decoupling transport growth and GDP growth will maximise the benefits of improved transport and allow transport to truly contribute to improving the quality of life and the environment in Europe.

Ideally this decoupling would therefore be not just a decoupling of transport growth and GDP growth, but a decoupling of the undesirable impacts of transport and GDP growth as well. Unfortunately, however, there is a danger that if decoupling is defined too narrowly, focusing on *elements* of the environmental and human impacts of transport rather than fully including them all, the benefits of the approach will be lost.

This is in part due to the inevitable trade offs between decreasing different impacts from transport. By way of example modal shift from long distance road haulage to combined transport and short sea shipping could reap large emission reduction benefits in terms of reducing greenhouse gases from the freight transport sector. Short sea shipping having much lower greenhouse gas emissions per tonne kilometre than road transport. Yet at the same time such a modal shift would have the opposite effect on the emissions of noxious pollutants that contribute to regional scale pollution such as acidification or ozone pollution. The maritime sector has virtually no ships with any exhaust treatment systems, and the emission of NOx from international shipping in the Mediterranean are already the same size as all emission sources in France.

This is not the only example of trade offs existing in the reduction of impacts from transport. Indeed, these trade offs are the very reason why managing the demand for transport and thus decoupling transport growth from economic growth is so important.

If the decoupling commitment is rephrased to target impacts rather than managing the demand growth of the sector itself, there will be an inevitable additional process necessary: determining exactly which impacts would have priority, the relative weights each type of impact should receive, and what trade offs may be desirable between impacts.

It would therefore be inappropriate to attempt to define the decoupling target in terms of impacts rather than the growth of the sector itself. Furthermore to do so could be interpreted as yet another example of strong commitments by the highest political levels being only selectively applied and thereby diminished.

### ***2.3 Transport after the sustainable development strategy***

The goals and objectives for transport policy should aim to facilitate demand management of the sector. This will enable the maximum benefit to be derived from transport and allow it to contribute more generally to improvements in the quality of life and the environment in Europe.

Managing demand of the sector does not, however, necessitate centrally planned command and control policies. Instead the instruments that can manage transport demand to secure decoupling can fit easily into the market economy.

The European Commission Joint Expert Group on Transport and Environment (an advisory group of experts from the Member States) has produced a report outlining how transport demand and behavioural change can be operationalised. None of the policies they considered were of a “command and control” nature. Instead they focused on:

- the need to internalise external costs,
- the need to reduce travel by land use and planning policies, and by more effectively harnessing information technology,
- the need to promote change in the modes of transport with the fastest and most damaging growth – aviation, urban car travel, and freight,
- and the need for policies to influence behaviour.

The large scale social and environmental impacts of transport are often referred to as external costs. External, that is, to the price paid by the transport user. But another view of these uncovered costs is that they are market distortions. Correcting these distortions via the internalisation of external costs aids the efficient functioning of the market, improves the environmental performance of the sector, and enables demand management without command and control policies.

Too often in the past calls for the internalisation of external costs have been seen by those outside the environment community as merely a desire to raise prices such that the total amount of the external costs are covered in the price paid by the users. Yet the objective of internalisation of external costs is to stimulate change to prevent future damage, not to sell licenses to continue to cause damage.

Internalisation of external costs correcting market distortions could, therefore, help manage demand in the transport sector as well as improve the performance of the sector. This on its own will not be sufficient to ensure decoupling and allow the sector to effectively contribute to all three pillars of sustainable development.

Making sure people have options to fulfil their demands for access to goods and services without increased transport also requires long term policies such as land use planning as well as realisation of the full potential of the information revolution. It will also require authorities to facilitate change via campaigns that look at general societal attitudes.

Strong technical regulations will also continue to be necessary, as will regulations enforcing social standards that establish fair and level competition conditions, particularly in increasingly liberalised transport markets. These technical regulations could also be supplemented by additional voluntary agreements with industry.

Moreover, efforts to secure modal shift will also continue to be necessary, especially those policies that are “pull” policies – improving the performance and attractiveness of the more environmentally friendly modes. In short the entire policy mix will continue to be necessary even when transport demand management policies have been put in place to decouple transport growth from GDP growth.

Transport demand management to secure the decoupling of transport growth and GDP growth will require a new direction for transport policy. But the policies required to achieve it are extensions and complete implementation of policies already devised.

## **3. Specific dossiers**

### ***3.1 Issues current during the Belgian Presidency***

#### ***3.1.1 The common Transport Policy***

The White Paper outlining the programme defining the Common Transport Policy was due to be adopted under the French Presidency. Unfortunately it has not been possible for this most important paper to be adopted by the Commission either during the French or the Swedish presidencies. To some extent this has caused a policy bottleneck, as other dossiers have awaited the adoption of this White Paper. Some have apparently fallen victim to this bottleneck and will no longer form any part of the Commission work programme. This is indicative of the extremely important nature of this White Paper. It will establish a framework within which transport policy should operate for the coming decade. The Belgian Government must therefore view the discussions over this paper as one of their principal priorities.

T&E believes that the White Paper on the Common Transport Policy (CTP) has to give equal weight to environmental, social and economic criteria. This requires the management of transport demand so as to decouple transport growth from economic growth. The debates over decoupling were outlined in the previous section and so need not be restated here. But the Belgian Government must ensure that the discussions by Transport Minister in response to the White Paper take full account of the importance attached to decoupling by the EU leaders in Gothenburg.

T&E is pleased to be involved in the Presidency Seminar that the Belgian Government is hosting on decoupling and demand management as preparation for the Joint Informal Council of Transport and Environment Ministers. Beyond this seminar and the discussions of the Joint Informal Council, the issue of decoupling and demand management needs to be brought into the centre of the debate on the White Paper.

T&E understands that the main policy pillar of the Draft of the White Paper is pursuing modal shift such that the modal share is maintained at 1998 levels by 2010. Without decoupling this is indeed an ambitious policy goal which would become more feasible with decoupling. But without the detailed practical policies in place to achieve this goal modal shift will not happen. Discussions on the white paper will therefore need to focus on the precise means for achieving the bigger picture, as well as ensuring that the main goal remains decoupling transport from economic growth.

**We urge the Belgian presidency of the EU to take a firm stance on the Common Transport Policy**

**The Belgian Presidency should ensure that decoupling transport growth and economic growth remains a main community principle**

#### ***3.1.2 Integrating environment into sectoral EU policies***

The Council strategy to integrate environmental considerations into transport policy is the most advanced of all of the sectoral policies. However, it still has to fully respond to the requests of the EU leaders and accept targets for environmental integration. Moreover, whilst the Presidency Conclusions from Gothenburg are couched in the usual diplomatic language of

presidency Conclusions, they do include a rather firm statement calling for the sectors to “finalise and further develop sector strategies” and to move to “implementing them as soon as possible”.

Moreover the EU leaders again requested establishment of objectives for the sector strategies. The sectors were instructed to take account of the “relevant objectives set out in the forthcoming 6<sup>th</sup> Environmental Action Programme and the Sustainable Development Strategy”. For transport this would set the central objective of the strategy as the decoupling of transport growth from economic growth via demand management and modal shift.

T&E therefore welcomes the initiative of the Belgian Presidency to run a seminar on decoupling and demand management early in their presidency. The use of the results of this seminar as input to a Joint Informal Council of Transport and Environment Ministers in September will also be valuable. This is because the topic selected for the discussions at the informal council - the future implementation of the integration strategy – is to be set within a context of a discussion on modal shift.

The objectives for the sectoral strategy identified by the EU leaders at Gothenburg - decoupling, demand management and modal shift – are therefore to be discussed by the Ministers under the Belgian Presidency. However it will be important for the Belgian Presidency to also endeavour to ensure that the EU leaders request for the strategies to be implemented “as soon as possible” is similarly respected. Moreover, the Presidency should ensure that concrete targets form part of the objectives established for the strategies, otherwise there will be nothing with which to judge how rapid the implementation of the strategy actually is.

<p><b>Integration of environmental concerns into transport policy should include concrete targets</b></p>
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### ***3.1.3 Aviation***

**Aviation is the fastest growing transport mode, both in terms of its demand and its emissions.** Aviation has multiple effects on the environment, be it locally, through noise and air pollution, or globally, through its climate change effects. As a global industry, the sector of aviation is regulated globally, and so are its environmental effects. In many cases this means, however, that much lower environmental standards and almost no regulatory measures are being put in place. The environment is in this context being sacrificed for the sake of a faster and more globalised industry.

On environmental and more specifically climate change policies, Europe has shown recently that it has a stronger political will compared with other parts of the world. Europe, therefore, needs to also develop strong policies for aviation.

In light of the principles mentioned in the introduction to this paper, it is unacceptable that an industry with such a high impact on the environment should not pay its share for the environmental damage it causes; the price of which is currently borne by the whole society.

Global measures, such as market-based instrument that are currently under discussion would constitute one good first step. However, since there is no global appropriate political leadership, the solution has to be found within the EU itself. The EU member states and the community as a whole will attend the tri-annual assembly of the International Civil Aviation Organisation (ICAO) during the Belgian presidency. Important decisions may come out of this meeting, if only to decide to postpone any activity at the global level. The EU has an opportunity to show strong leadership at the global level and also define an EU-wide approach.

At this meeting, Belgium on behalf of the EU will have a chance to put forward effective proposals for dealing with aviation's environmental effects.

We recommend that the Belgian presidency take strong leadership in the ICAO assembly on behalf of the European Union and that it propose as a near term measure the introduction of an aviation charge, for developed countries in the first instance. On noise, bearing in mind that the European Union's citizens have special needs given the density of our continent, Belgium should recommend that chapter 4 stringency should be strongly reinforced and chapter 5 standards should already start to be developed. More generally, the EU under the Belgian presidency should request from ICAO the development of a long term environmental strategy. In the EU, the Belgian presidency should support the Commission in its forthcoming proposal for an EU aviation charge.

**We urge the Belgian EU Presidency to lead the community towards adoption of market-based instruments and strict noise standards for aviation during the next ICAO assembly in September; failing which the EU should take unilateral action**

### ***3.1.4 Trans-European transport networks***

There is a degree of uncertainty as to what will happen with the planned guidelines for the Trans-European Transport Networks (TENs).

On the one hand the TENs should undergo a revision in 2001, following the Commission's own work programme. Earlier drafts of the Common Transport White Paper support this, saying that small changes to the guidelines will be defined.

On the other hand, however, Commissioner de Palacio told the European Parliament's Transport Committee in June 2001 that the TENs guidelines will not be reviewed before the end of the year. The TENs guidelines say there must be a major overhaul by 2003; and by the time the small revision could be adopted, it would be time to undertake the major TENs guidelines overhaul.

Until the CTP White Paper is adopted there is uncertainty about this dossier; thus it is unlikely that the Belgian Presidency will be called on to act.

### ***3.1.5 Third road safety action plan***

The Commission has undertaken a lengthy consultation process on this important dossier. This has given all stakeholders an opportunity to comment on this new action plan prior to its adoption. This is important for two reasons. Firstly it is the first of the Road Safety Action Plans that will remain valid for a duration long enough to have a potentially large impact on road safety across the Community. Secondly it is important because of the scale of the problem it addresses. The EU statistics are appalling: more than 42000 annual fatalities, the largest cause of death for the under 45 year olds, a 1 to 80 chance of ending life 40 years prematurely, and a life time risk of 1 to 3 of being hospitalised from road accidents.

T&E welcomes many of the intended actions outlined in the consultative document. However, in our response to this document we did highlight several areas where there is potential for improvements beyond those foreseen in the Commission document. Of particular importance is ensuring that potential policy synergies between environmental and safety goals are

realised. By way of example transport demand management will result in accident avoidance as traffic growth is restrained. Awareness raising campaigns to improve driving styles to conserve fuel and lower green house gas emissions will also improve driving standards, especially as the techniques of “eco driving” share a great deal of traits with “defensive driving”. Urban speed limits are however, the single policy instrument that demonstrate this synergy to the greatest extent. Lowering urban speed limit norms to 30km/h (20mph) will decrease congestion, decrease emissions, increase noise protection, and decrease accidents. This is why we have added to our response to the consultation paper a call for the Commission to propose 30km/h as the new EU norm for urban speed limits.

Including road safety considerations into the debate on the White Paper, and the potential for synergies to be attained between environmental and safety policy objectives should therefore form an important element of the Belgian Presidency programme.

At the same time that the Commission was publishing its progressive consultation paper on road safety, a rather different policy line on the same issue was being taken by different services of the Commission. Previously the Commission had promised on several occasions over a protracted period, a new Directive on the design of car fronts to improve pedestrian safety. Recently, however, the tests that have been developed to allow the Commission to elaborate such a proposal and the proposal itself have been undermined. An offer by the industry for a voluntary agreement on car front design and pedestrian safety have appeared to place the proposal and its more rigorous tests on the Commissions backburner.

If during the Belgian Presidency the Commission fails to adopt a proposal for a Directive and instead accepts an inferior agreement with industry the Belgian Presidency should ensure some form of censural comment is passed by the Council. T&E is not adverse to progress being secured by private enterprise initiatives. But beyond these concerns, the proposed voluntary agreement would not be of “added value” compared to the legislative option. The Commission should be made aware of how unacceptable such an approach is if the voluntary agreement does indeed fall short of the previously widely discussed legislative alternative.

## ***3.2 Ongoing dossiers***

### ***3.2.1 Climate change***

The Belgian presidency has the difficult task of chairing COP6bis. The international negotiations to save the Kyoto protocol will of course be the most challenging environmental dossier on the table. The discussions are unlikely to go into the different sectors. It is important however, that the momentum gained in Europe on developing policies and measures for all sectors including transport under the Climate Change Programme be continued. The Belgian presidency should ensure that the ECCP working group on transport, which has so far been the weakest of all takes account of the existence of cost-effective measures in this sector and that the underlying principle of decoupling be explicitly mentioned.

In relation to the ECCP follow-up and particularly in relation to working group on transport we recommend that the way in which the Commission uses the outcome of the ECCP needs to take stronger account of some of the other processes that have continued in parallel to the programme. For the transport component of the implementation follow up of the ECCP this will require:

- greater weight given to the recommendations of the joint expert group
- the recommendations of the White Paper on the Common Transport Policy and
- the Presidency conclusions to the Gothenburg European Council

Of greatest importance for the climate impact of the transport sector will be to improve the transport intensity of the economy by decoupling transport growth from growth in the GDP.

### ***3.2.2 Enlargement***

Enlargement of the EU to the East is undeniably a central and urgent priority for the EU, to ensure both economic prosperity and political stability. The Council, meeting in Gothenburg in June 2001, unambiguously committed itself to EU enlargement with the historic words, "The enlargement process is irreversible." This process is having, and will continue to have, important repercussions for future transport and environment policy in an enlarged EU.

The Belgian Presidency lists enlargement as one of its six priority areas. It points out that Belgium will, during the course of its Presidency, guide the EU's common position on candidate countries' adoption of the *acquis communautaire* for transport, among other dossiers. And presenting the Belgian Presidency's transport priorities in May 2001, Deputy Prime Minister and Minister for Transport, Isabelle Durant, stressed that the transport chapter negotiations on the *acquis* are "extremely important" to her personally.

Combined with the Presidency's emphasis on promoting sustainable development, the above indicates that Belgium can be expected to push for sustainability in the EU's dealings with candidate countries in general, and transport in particular. However, there is no concrete direction given by the Belgian government on the form its guidance would take.

All accession countries already show a similar pattern to that which can be seen historically in the EU, of giving priority to road construction while the existing public transport systems fall into decline. The Belgian Presidency is concerned with the link between transport and the economy; indeed is holding a high-level seminar on this very topic at the start of its Presidency. Therefore, the Presidency should encourage reconsideration of large-scale transport infrastructure as constituting the most productive and cost-effective means available to encourage economic development. It is also necessary to ensure that funding for new infrastructure of this sort does not 'crowd out' other more sustainable expenditure, either in transport provision or elsewhere.

In spite of the remaining difficulties, the current situation in terms of transport provision in central and eastern Europe still gives the EU an unrivalled opportunity to promote more sustainable development in the future – but not unless current priorities are reviewed and transformed across the board rather than in a piecemeal way, and as a matter of urgency.

When applying ISPA funds to the TINA processes it is therefore important to involve all actors who play a role in the region and to ensure that a thorough assessment of the environmental implications is considered.

**When applying ISPA funds to the TINA processes, involve all actors who play a role in the region and to ensure that a thorough assessment of the environmental implications is considered**

### ***3.2.3 Transport pricing***

Whilst the fuel price protests of last year appear to be a distant memory to some, others in the road haulage business would like it to regain its place on the political agenda. Indeed sections of the Belgian road haulage industry appear determined, at this point in time, to place the issue on the agenda by direct action with blockades planned across Belgium during the Presidency.

The issue of “fair and efficient pricing” has moved on some distance in the recent past. The heavy goods vehicle fee in Switzerland has demonstrated that it is feasible to apply electronic road pricing. Moreover the moves to apply electronic road pricing to the freight sector in Germany, even if more limited than the Swiss scheme, is causing a rethink on road pricing in many other neighbouring countries. The developments in the Netherlands are the most recent example with the national association of road haulers now supporting a scheme analogous to that proposed for Germany.

The Belgian Presidency must ensure that the response to the truckers protest is to focus the debate on the need for fairness in transport pricing. Getting the prices right for transport will mean fair prices and a more efficient transport system. The Commission was persuaded of this argument as long ago as 1995, some elements of the road freight industry have been convinced, the German and Dutch authorities are shifting towards it. Belgium should use its Presidency to place the issue of fuel prices firmly within the context of fair and efficient pricing and a new sustainable direction for transport policy.

### ***3.2.4 Sustainable urban transport***

Most Europeans live and work in cities. Road transport is one of the biggest problems for city-dwellers, with air and noise pollution from traffic, high injury costs and congestion close to the top of the list of citizens’ grievances. And other forms of transport are also problematic, particularly for citizens living near airports. The EU is responsible for setting the framework for sustainable transport in cities.

Two dossiers will be directly relevant to sustainable urban transport during the Belgian Presidency.

The “**Regulation on public service requirements and the award of public service contracts in passenger transport** by rail, road and inland waterway” (COM 2000/7) will set the framework for the provision of public transport in the EU. The European Parliament held a public hearing on it in April 2001 to help it form its opinion. There is general satisfaction that the Regulation is a good piece of legislation. It requires authorities to take account of environmental factors – such as air quality, noise standards and greenhouse gas emissions – when awarding public service contracts. The Belgian Presidency will preside over a Transport Council meeting at which the Regulation is discussed, and we recommend it press for speedy adoption.

The **Green Paper on Sustainable Urban Transport** is in the Commission’s work-plan again in 2001. This Green Paper should outline the actions which need to be taken by various tiers of decision makers to clean up Europe’s urban transport. This means that the Green Paper will address all relevant actors from local authorities to European institutions, via national administrations. The Belgian Presidency should ensure that all of these relevant actors are involved in the debate, so as to ensure that the Green paper produces effective results. It should also ensure that the Commission completes its work on the Green Paper by the end of the year.

**We urge the Belgian Presidency to cooperate with the Commission to ensure the Green Paper on Sustainable Urban Transport is adopted before the end of 2001**



### ***3.2.5 Noise***

Noise is a huge problem in the European Union, with strong effects on human health. Road, rail and air traffic noise are among the main sources of noise pollution, giving the transport sector a large share of the responsibility for noise pollution.

The EU has regulated noise for more than 25 years, yet legislation has focussed on limiting specific sources (products), allowing different noise sources to combine in creating a significant disturbance. This is why complaints about noise are on the increase. Product standards cannot solve the problem. Protecting citizens from the damaging effects of noise requires good ambient noise limits, along the lines of the successful air quality framework Directive. Portugal has proven this is politically possible: its ambient limits for “sensitive areas” like hospitals, schools and homes came into effect in May.

It is up to the Union to set the framework within which regions and cities operate. This is particularly so in the case of aviation noise, where most Member-States have shown themselves unable to take appropriate steps on reduction of noise from airports.

In 2000, the Commission adopted a proposal for a “**Directive on Assessment and management of environmental noise**,” which the WHO defines as essentially all non-industrial noise. It provides for a harmonisation of methods of assessment and exchange of information on noise pollution, as well as requiring noise maps for some European agglomerations, and providing for action plans where necessary. This is needed, although the proposal itself has serious flaws.

The Directive will go through its second reading under the Belgian Presidency, and we urge Belgium to press for its speedy adoption. This fits directly with the Presidency’s own goal of harmonising the standards for measuring noise near airports and we therefore expect it will be very active on this dossier.

However, Europe needs an additional initiative, which takes the protection of citizens as its starting point, possibly following the Portuguese model. We therefore urge the Presidency to push for development of a framework directive which sets “health-based guidelines on community noise” (WHO guidelines on community noise, 2000). Such a Directive is clearly needed, and the Portuguese case shows that the political will is slowly developing to deal with noise in a way which takes citizens as its starting point.

**Belgium should press for speedy adoption of the Directive on Assessment and management of environmental noise; and urge the Commission to adopt a framework directive on ambient noise limits**

### ***3.2.6 Air quality and fuel standards***

The Auto Oil Programme is frequently cited as the model the Commission wishes to replicate for policy making. The latest, and potentially last, proposal to stem from the programme, however, falls short of a process that is driven by environmental objectives.

Following the adoption of the Auto Oil Directives in 1998 on passenger car emission standards and fuel quality standards there was only one remaining issue – the completion of the fuel quality standards for 2005. During the second Auto Oil Programme the refining industry had successfully argued against any consideration of the parameters that were already fixed by the first Auto Oil Directive – sulphur and benzene. Yet when the time came for the Commission to consider at what level to fix the remaining fuel parameters in the 2005 standards, it had

became clear that the 50ppm sulphur level would not be acceptable to Member States or the European Parliament. For that reason the Commission launched a consultation process on the most appropriate sulphur level for the revision of the fuel quality Directive.

A driving concern was the availability of “ultra low” or “sulphur free” fuels – 10ppm sulphur or less – so as to allow more fuel-efficient engine technologies to enter the fleet. As a result the debate over the revision of the fuel quality Directive has been focussed on CO<sub>2</sub> and greenhouse gas emissions. Little attention has been paid to the continuing air quality problems, nor the contribution any of the fuel parameters could play in reducing the problem in 2005. Moreover, despite this being a single market legislative act, the Commission has proposed a Directive based on the ability of individual Member State refining industries to satisfy their own domestic markets for the improved 10ppm sulphur fuels, rather than assessing the EU industry as a whole.

The Belgian presidency needs to ensure that these two missing links – air quality and the single market dimensions – are brought back into the debate during their discussions on this Directive. The Auto Oil II air quality modelling clearly demonstrate the need to go beyond the technical standards already established. Air quality standards, already defined in the air quality Daughter Directives, were predicted to be exceeded across the EU. Although the most robust city models “only” demonstrated exceedances in 20% of the urban locations studied (Athens and Lyon), both the more detailed street canyons examined and the more minimal “generalised empirical approach” of the EEA predict widespread urban air pollution in 2010.

T&E urges the Belgian Presidency to advance the timetable for the introduction of “sulphur free” (10ppm) fuels to 2003 for introduction, and 2008 to become the single standard; compared to a later Commission proposal. Moreover the other fuel parameters need to reflect air quality objectives, with a reduction in total aromatics in petrol and of PAHs in diesel.

**We urge the Belgian presidency to take firm action on air quality**

### ***3.2.7 Towards sustainable freight***

Action on pushing towards sustainable freight depends on the final form of the CTP White Paper.

The Commission is to propose in 2001 a second rail package dealing with, among other things, intra-country liberalisation. However, Commissioner de Palacio told the European Parliament Transport Committee in June that the Commission will not make this proposal before the end of the year, or possibly next year. The Belgian Presidency is therefore very unlikely to be involved in this dossier.

The Commission’s proposal on harmonisation of restrictions for heavy goods vehicles (night and week-end bans) provoked controversial discussions in the Transport Council and the Transport Committee of the Parliament earlier this year. Nothing has happened on the dossier since a number of Member States seemed to block the process. The Belgian Presidency could send the proposal back to the Commission for changes. However, conclusion of this dossier should not represent a priority for the Belgian Presidency, and valuable time in Council should not be devoted to this divisive dossier.

## **4. Conclusion**

The Belgian Presidency has an unique opportunity to shape the transport and environment policy of the EU. The momentum started at Cardiff and re-enforced at Gothenburg of integrating environmental concerns into transport decisions needs to be taken forward – and the Belgian presidency has committed to do so. We welcome this as a positive development. It is also commendable that the presidency is organising a cutting edge seminar on transport and the economy. This seminar comes at the very right moment when discussions on de-linking transport and economic growth have started to gain strong political momentum introduced with the conclusions on sustainable development strategy adopted at the Gothenburg summit.

These developments should be setting the scene for the future European transport policy that will be adopted by the Commission during the Belgian presidency. The time frame for the Common Transport Policy White Paper, although only looking at ten years ahead, means that whatever decisions are taken today will have lasting consequences for the European citizens, our economy and the environment.

We therefore urge the presidency to treat this important dossier as an absolute priority. Without a transport policy that has economic, social and environmental requirements on equal footing at its core, any sustainable development strategy will fail and the citizens and economies of Europe will have to pay the price.

## **T&E PUBLICATIONS**

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- T&E 96/11 The Greening of Freight Transport in Germany - Background report of the project "The Greening to the project The Greening of Freight Transport"
- T&E 96/12 The Greening of Freight Transport in Europe - final report
- T&E 96/13 Response to the European Commission's Auto-oil Proposals

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- T&E 97/2 Reducing Cars' Thirst for Fuel - position paper on reducing CO2 emissions from passenger cars
- T&E 97/3 Towards more sensible decision-making on infrastructure building
- T&E 97/4 Updated response to the EU's Auto-Oil Programme
- T&E 97/5 Memorandum on Transport and Environment to the Council of Ministers and the UK Presidency
- T&E 97/6 Response to the European Commission's Acidification Strategy (joint paper with EEB and Swedish NGO Secretariat on Acid Rain)
- T&E 97/7 Traffic, air pollution and health

### 1998

- T&E 98/1 Sustainable Aviation - The need for a European environmental aviation charge
- T&E 98/2 Transport and climate change (see T&E 00/1)
- T&E 98/3 Cycle Beating and the EU Test Cycle for Cars
- T&E 98/4 Comments on the Consultation Paper on Air Transport and Environment

### 1999

- T&E 99/1 Memorandum to the German Presidency
- T&E 99/2 Road Fuel and Vehicles taxation in Light of EU Enlargement
- T&E 99/3 Response to the Commission report on the on the implementation of the Trans-European Transport Network Guidelines and Priorities for the Future

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- T&E 00/4 Bringing the Eurovignette into the electronic age: The need to change Directive 1999/62/EC to allow kilometre charging for heavy goods vehicles
- T&E 00/5 Memorandum to the Swedish Presidency
- T&E 00/6 Transport, Infrastructure and the Economy: Why new roads can harm the economy, local employment, and offer bad value to European tax payers. (€20)
- T&E 00/7 Sustainable Freight Transport – Conference report

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- T&E 01/1 Transport *can* drive climate change reductions – Seminar proceedings
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## About this paper

“Sustainable development” needs to be the keyword for European transport policy. This means that the goals of European transport policy should be the social, economic and environmental objectives inherent in sustainable development.

The Commission’s work programme for 2001 – particularly the review of the programme implementing the Common Transport Policy – along with the strong political will which emerged from the Gothenburg summit for the decoupling of transport growth from economic growth, together offer the Belgian Presidency an unrivalled opportunity to work towards sustainable transport in Europe.

T&E has tried with this Memorandum to tackle some of the most important issues in EU transport and environment policies; and to point out where it thinks that the Belgian Presidency can make a difference. This includes a series of concrete recommendations which together provide a coherent vision that is desperately needed in the EU for a transport policy that will be sustainable.

## About T&E

The European Federation for Transport and Environment (T&E) is Europe's primary non-governmental organisation campaigning on a Europe-wide level for an environmentally responsible approach to transport. The Federation was founded in 1989 as a European umbrella for organisations working in this field. At present T&E has some 40 member organisations covering 21 countries. The members are mostly national organisations, including public transport users' groups, environmental organisations and the European environmental transport associations ('Verkehrsclubs'). These organisations in all have several million individual members. Several transnational organisations are associated members.

T&E closely monitors developments in European transport policy and submits responses on all major papers and proposals from the European Commission. T&E frequently publishes reports on important issues in the field of transport and the environment, and also carries out research projects.

The list of T&E publications in the annex provides a picture of recent T&E activities. More information can be found on the T&E web-site: <http://www.t-e.nu>

## T&E member organisations

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Danmarks Naturfredningsforening (Denmark)	Society for Nature Protection and Eco-development (Greece)
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Environmental Transport Association (UK)	Stichting Natuur en Milieu (Netherlands)
Estonian Green Movement (Estonia)	Svenska Naturskyddsföreningen (Sweden)
Fédération Nationale des Associations d'Usagers de Transports (France)	TRANSform Scotland (United Kingdom)
France Nature Environnement (France)	Transport 2000 (United Kingdom)
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Inter-Environnement Bruxelles (Belgium)	<u>Associate members</u>
Komitee Milieu en Mobiliteit (Belgium)	BirdLife International
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Liikenneliitto (Finland)	European Cyclists' Federation
Magyar Közlekedési Klub (Hungary)	Union Internationale des Chemins de fer (UIC)
	International Union for Public Transport
	Worldwide Fund for Nature