

The logo consists of the letters 'T' and 'E' in a bold, white, sans-serif font, with an ampersand between them. The logo is set against a dark blue rectangular background.

European Federation for Transport and Environment
Fédération Européenne pour le transport et l'environnement Europäischer Verband für Verkehr und Umwelt

T&E RESPONSE

to the

European Commission White Paper

on the

COMMON TRANSPORT POLICY

T&E 01/5
December 2001

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T&E Response to the European Commission White Paper on the Common Transport Policy

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Executive Summary

Environmental, social and economic considerations form the three pillars of sustainable development. Each of these needs equal deliberation in any community policy, as laid down in the objectives for the European Union in the Amsterdam treaty. In order to achieve sustainable development, transport has to play a positive role in all three elements.

T&E believes that the Commission White Paper on the Future of the Common Transport Policy falls far short of identifying the right goals and means that would allow the sector to contribute to these wider community objectives.

Yet transport policy can positively contribute to these community objectives. Social and environmental goals can be served and Europe's economy more effectively benefit from managing transport demand and breaking the link between transport growth and economic growth. Establishing this objective of demand management and "decoupling" should be the principal objective of EU transport policy.

In this report, we undertake a critical assessment of the White Paper by placing transport policy into the wider context of the European treaty and of other major EU commitments on sustainable development. We propose a series of recommendations with the protection of the environment and citizens' rights, and the economic efficiency of the sector as underlying principles. These recommendations follow the structure of the Commission White Paper. A detailed assessment of the Commission document can be found in the annex to this report.

I. Policy Guidelines

This section of the white paper focuses on the main policy goals for the community transport policy.

With regard to this topic, T&E recommends the following:

- ❑ The main goal of the common transport policy should be in line with the Gothenburg EU summit conclusions, to significantly decouple transport growth and economic growth.
- ❑ The main objective of a transport policy should be tackling rising volumes of traffic rather than additional financing of infrastructure.
- ❑ Congestion is only one of transport's problems. The Community should not only tackle congestion but also all the environmental problems of transport.
- ❑ If the objectives of the community are to be achieved, then the Community should also take action on urban transport policy.
- ❑ *Citizens not users* should be placed at the heart of transport policy. Rather than only looking at users' needs, transport policy needs to serve the whole of society.

II. A rebalancing of transport policy

The policy of transferring goods and passenger transport from “dirtier” modes to less “dirty” modes of transport is at the heart of the common transport policy, the so-called modal shift. T&E believes that in order to achieve a truly sustainable transport policy the community needs to take action beyond merely shifting between modes, which does not account for increased levels of traffic.

We therefore recommend the following:

- ❑ Rebalancing the modes is merely one element towards achieving the wider Community goals of sustainable development and not an objective in itself. Transport priorities should be restructured to allow transport to be more efficient, and contribute to improving EU competitiveness, as well as lowering environmental impacts and improving social standards.
- ❑ The pricing system for transport should be brought in line with the rest of the economy by applying the user pays principle. Marginal social cost pricing should therefore be applied to all modes.
- ❑ Social and environmental standards should be applied to the maritime sector, e.g. through internalisation of external costs *before* the sector can be promoted as an environmentally friendly mode of transport.
- ❑ Rail liberalisation is consistent with community objectives; however, this should not mean privatisation of the infrastructure. The community should establish a European rail agency that would achieve improvements to both safety regimes and interoperability requirements. Overriding public policy concerns need to be at the heart of liberalisation.
- ❑ Aviation has one of the fastest growing impacts on the environment of all economic sectors. The EU should take action that would stimulate international agreements, rather than prevent them, and aim at drastically improving the sector’s environmental and social impacts. This requires the EU to be proactive and unilateral in aviation policy.

III. Infrastructure policy

On infrastructure, the Commission paper focuses on the issue of bottlenecks. T&E believes that this is merely another way to promote future infrastructure construction generating ever-stronger transport growth, and cannot accept it as an objective of the common transport policy. We recommend the following:

- ❑ Before taking any further decisions on new infrastructure, European transport policy should focus on improving the framework for decision-making. This means applying proper social and environmental assessment to infrastructure plans, through improved cost-benefit analyses that include these elements.
- ❑ In light of the huge environmental and social negative impacts of aviation, the goal of unconstrained airport capacity growth is inconsistent with other community objectives and political commitments.

IV. Citizens at the heart of policy

The entire commission paper merely addresses transport *users* rather than *citizens*, thus defying common sense and the simple logic that independently of whether they are users of transport or not, citizens will be affected by the common transport policy. T&E therefore believes that any EU policy should have citizens and not transport users at its heart.

We therefore recommend the following:

- ❑ The target of improving road safety is very important. However, more measures than envisaged in the paper will be necessary in order to achieve this target. They include: directives on urban speed limits; technical specifications for interoperability of active safety equipment such as speed limiters; and, recommendations on cost effective measures to improve urban safety and environmental performance for transport.
- ❑ The community should only earmark funds for infrastructure from transport charges if a cost benefit analysis accounting for the full costs of transport, the spatial distribution of benefits, and market imperfections indicates it is worth doing.
- ❑ EU decision-making bodies should involve citizens and NGOs in policy-making at all levels in compliance with the Aarhus convention.

V. Global Dimension

When talking about the globalisation of transport, the Commission paper tackles the role of transport in the enlarged EU and in the international context. These two elements pose important but different type of challenges to EU transport policy.

With regards to enlargement, T&E makes the following recommendation:

- ❑ Central and Eastern European countries have an extensive rail and public transport network. The community should aim to optimise the use of the existing system by investing in its upgrading and maintenance rather than by stimulating private transport development. In order to achieve this goal, it is important to re-examine the infrastructure objectives developed within the Transport Infrastructure Needs Assessment (TINA) context.

When talking about the international dimension of transport, the paper is rather confusing in its objectives. While recognising that little progress can be expected from international agreements, it nevertheless recommends that policies be taken at international level.

We believe it is important that Europe defends its values and objectives internationally, and that it takes leadership on sustainable developments, and therefore recommend the following with regards to aviation:

- **Aviation is a global sector by its nature. Since very little attention is being paid to sustainability in the international context, we urge the community to show leadership by moving ahead with unilateral action, which may then help to facilitate stronger global agreements. This approach has already been advocated by member states, some asking for an international kerosene tax.**
- **The community should re-consider the usefulness of a European navigation satellite system (Galileo), in light of the huge amounts of European taxpayers' money being spent on this project, which appears expensive and unnecessary. Proper and comprehensive cost benefit and risk assessment, involving citizens and NGOs should be considered instead.**

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1. Introduction

Environmental, social and economic considerations form the three pillars of sustainable development. In order to achieve sustainable development, transport has to play a positive role in all three elements. T&E believes that the Commission White Paper on the Future of the Common Transport Policy (CTP)¹ falls far short of allowing transport to contribute to these wider community objectives. Yet managing transport demand and breaking the link between transport growth and economic growth can serve social and environmental goals, and serve Europe's economy more effectively. Demand management and "decoupling" should therefore be the principal objective of EU transport policy.

The compilation of the White Paper was not the product of a stakeholder consultation process. It should have been, and it has suffered as a result. In this report, we undertake a critical assessment of the White Paper by placing transport policy into the wider context of the European treaty and of other major EU commitments on sustainable development. We propose a series of recommendations with the protection of the environment and citizens' rights, and the economic efficiency of the sector, as underlying principles. In many respects it reflects what T&E's own submission to the process would have been.

The most important guide for transport policy should be how the sector is serving society and the economy rather than what is best for the sector itself. The objectives of sustainable development are now a core feature of the objectives of the Community. The impact transport policy has on all three pillars of sustainable development – environmental, economic, and social – need to be balanced and mutually reinforcing if these Community objectives are to be realised.

Integrating these three pillars of sustainable development into transport policy making is now a mainstream concept, with international bodies such as the Organisation for Economic Cooperation and Development (OECD), the European Conference of Ministers of Transport (ECMT) and the World Health Organisation (WHO) all advocating its application and developing ways to achieve this. Full integration of the three pillars of sustainable development into transport policy is thus not just an aspiration of environmentalists, but rather the international mainstream concept promoted by transport professionals.

This is most clearly demonstrated by the conclusions to emerge from the OECD project on Environmentally Sustainable Transport (EST). This concluded that policy makers should move away from the traditional approach of driving policy forward with growth goals, and only later taking steps to limit its impact. Instead it recommends a new approach that ensures all of the objectives are given equal weight to allow more sustainable outcomes.

If the CTP White Paper had been developed on the basis of a consultative exercise, this mainstream thinking on integration could have been incorporated. However, the approach used was one of isolation rather than consultation, so the document continues to portray integration in limited terms. It is therefore sceptical of the prospects for the most meaningful outcome of integration: breaking the link between transport growth and economic growth.

A further benefit from any multi-stakeholder consultation – including Member State and international institution experts, and non-governmental organisations (NGOs), would have been a more robust series of predictions for the possible development of the transport sector. Such exercises are complex and prone to inaccuracy, especially if they are viewed

¹ Throughout the rest of this publication the abbreviation CTP will be used for the Community provisions for a common transport policy – either in respect to the general provisions detailed in the treaty or the action programmes detailed in communications, white papers and other documents.

as predictions of the future rather than estimates of potential outcomes. However, a series of well-defined scenarios based on expert input from a number of sources does enable policy makers to make more rational decisions. The targets for policy making would then have been fixed according to an understanding of the problems which all the stakeholders would have accepted and endorsed. The process undertaken by the Commission falls far short of this. The scenarios which the Commission constructed for the White Paper were narrow and seemed designed to serve conclusions which were already drawn, rather than inform decision makers. It is perhaps for this reason that these scenarios are not actually detailed in the final draft of the paper, despite earlier drafts including a full explanation of them.

It is therefore difficult to use the projections given to assess whether the targets of the paper (retaining the 1998 modal split in 2010 and halving road accident deaths) are the best available to enable transport to be placed on a path towards sustainability. However what is clear from predictions from a variety of other Community modelling processes and projections is that they are unlikely to be sufficient on their own in the medium-term².

Retaining the 1998 modal split in 2010 would have only a marginal effect on these problems, as the impact of modal shift will be even lower than the benefits resulting from improved technology. Other models which have been, or are being developed, for other related purposes should have been harnessed in a transparent manner to give more robust projections for the CTP white paper³. This should in turn have led to the Commission drawing on expertise across Europe – largely from Member State ministries, stakeholders and think tanks or consultancies – to render the models compatible with each other.

T&E could not identify a **precise** target appropriate for the CTP, outside of a process that brought all this disparate work together. If the Commission's lead is followed and a more **general** target highlighted, then the most appropriate such at present is the decoupling of economic growth and transport growth⁴. In the medium term this would be translated as a relative decoupling – having transport grow at a slower pace than the economy – but the long-term goal must be to achieve a real decoupling – transport volumes that are static or declining in a growing economy. Most importantly this objective establishes for transport new goals that are based on the management of the demand for transport and improvements to its economic, social and environmental performance, rather than merely the continued promotion of unrestricted growth.

T&E would also have applied a rather different structure from that used by the Commission for the CTP white paper. The four sections of the common transport policy outlined in Article 71 of Title V of the Treaty would have formed the basis of our paper, as they are the basis for the CTP. This would correct the imbalance in the paper at present, which focuses on the branches of the transport sector and only briefly recognises the need for a whole range of measures to complete a truly Common Transport Policy outside of the sector. It would have also meant that the final section relating to other appropriate provisions would have drawn from the objectives of the Community found in article 2 of the Treaty. Nowhere in this article is there a mention of “congestion”, again giving the paper a more realistic balance than the Commission's diatribe against traffic jams.

² For example, the Auto Oil II base case indicates that there will be significant traffic-related **air pollution** problems remaining in 2010: SCENES has produced transport demand scenarios for the EU for 2020 and beyond with Community support. Moreover, **CO₂ emissions** from road transport will continue to grow overall. For both problems growth in traffic volumes will offset gains made by improvements to technology.

³ See Annex, part 2, of this paper for more detailed information.

⁴ There is significant commitment to decoupling transport growth from economic growth. For example, EU leaders meeting in Gothenburg agreed that, “Action is needed to bring about a significant decoupling of transport growth and GDP growth...” (Presidency conclusions, Göteborg European Council, 15 and 16 June 2001, SN200/01, page 6). The informal meeting of transport and environment ministers, meeting in Louvain-la-Neuve / Leuven on 14-15 September 2001 echoed their leaders' call.

2. Placing EU transport policy in historical context

Since the very beginning of the European Economic Community in 1957 transport has featured as a policy area of considerable community competence. The very transboundary nature of transport and the role it plays in facilitating Community trade led to inclusion of provisions of a Common Transport Policy (CTP) in the Treaty of Rome. However, it was not until much later that a coherent set of policies and programmes was elaborated to implement it. Moreover Member States only reluctantly devolved their sovereignty to the Community in this area with the Council only accepting the Commission's leadership role following a judgement of the European Court of Justice in 1985.

The CTP has therefore been an area where the Commission's right to take the lead has been in question in the past. There is, however, now no question of either the existence of a CTP or of the Commission's leadership role in defining the nature of this CTP. What remains a question of interpretation is, however, the extent or scope of the CTP, given the revisions of the Treaty that followed the Court's 1985 decision.

The CTP is outlined in Title V of the Treaty of the European Community and should be read in conjunction with the objectives of the Community and Title XV on Trans-European Networks. The four areas of the CTP are defined in Article 71 of the Treaty and enable the Commission to lay down:

- Common rules applicable to international transport to or from the territory of a Member State or passing across the territory of one or more Member States;
- The conditions under which non resident carriers may operate transport services within a Member State;
- Measures to improve transport safety;
- Any other appropriate provisions⁵.

Since 1992 the CTP has been enacted via an action programme⁶, which the Commission adopted to cover 1995-2000. At the heart of this programme are five strategic objectives:

- Liberalising market access;
- Ensuring integrated transport systems across Europe;
- Ensuring fair and efficient pricing within and between transport modes;
- Enhancing the social dimension;
- Making sure that the rules that have been agreed are properly implemented.

The environment received little attention in the action programme and this is unsurprising given that there are no explicit references to environmental protection or sustainability in either Article 71 (previously Article 75) of the Treaty or the objectives of the action programme. However, the paper was titled "Towards Sustainable Mobility". The degree to which this title only superficially took environmental concerns into account is highlighted by the current CTP White Paper's evaluation of the "guiding principle of the document,"⁷ which it

⁵ Article 75, paragraph 1 of the Treaty of Rome as amended by the Maastricht Treaty. In the Treaty of Amsterdam the text of this paragraph remains unaltered but it becomes article 71.

⁶ As outlined in the Commission Communication - the Common Transport Policy - Action Programme (COM/95/302)

⁷ European Commission "White Paper – European transport policy for 2010: time to decide" 2001, page 6.

states was “the opening-up of the transport market⁸” rather than sustainability. At this point it is worth noting that Articles 2 and 6 of the Amsterdam Treaty now require environmental protection and promotion of sustainable development.

The Commission reviewed the implementation of the CTP in a Communication⁹ in December 1998 which also outlined an approach for the future of the CTP and invited comments. Yet this communication made little attempt to outline what impact transport has had on the environment, the effect policy has had on these environmental impacts, or the level of EU commitment towards the protection of the environment. Instead the approach to evaluating the progress “towards sustainable mobility” was quantitative rather than qualitative: it merely counted the number of legislative proposals that mentioned the environment, rather than assessing their environmental impact.

However, the Commission at this point was open to dialogue and even organised a stakeholders’ consultation meeting to listen to reactions to the Communication. At this meeting, Neil Kinnock, the Commissioner then responsible for transport, pledged to ensure that the process of reviewing the CTP would be open and transparent, and would include the stakeholders. However, shortly afterwards, the Commission as a whole was forced to resign and a new Commissioner for transport was appointed. In addition a new structure and hierarchy for the commission services working on transport was implemented and appointed.

These changes heralded a new approach to the revision of the CTP. Transparency, openness and stakeholder involvement were gradually exchanged for secrecy, limited expert or stakeholder consultation and even a restricted use of the resources of all the services of the Commission. The hierarchy of the transport services were determined to see the White Paper reflect their opinions, rather than expert input or high-level political priorities¹⁰.

As a result of this opaque, narrow method of elaborating the White Paper, its adoption was delayed for almost a year. Drafts were apparently finalised during the autumn of 1998 during the French Presidency of the EU; on time according to the original timetable. Yet these drafts were transmitted beyond the transport services only in the spring of 2001, after undergoing a heavy revision by the new DG TREN.

The resulting debate within the Commission was strong enough for the inter-service draft to be rejected by a number of different Commission services. Furthermore, the College of Commissioners decided, unusually, to issue a guidance document prescribing how the transport services should redraft the White Paper. The College chose to conduct its discussions only once the results of a seminar on transport and economy, organised by the Belgian Presidency with the support of T&E, became available. Some expert contributions to the final redrafting of the document were accordingly possible, but this White Paper still falls short of what Member State experts and academics would normally expect from such a document. This is due to the process that led to its compilation.

The first reactions to the White Paper reflect in particular the political shortfall between the headline objectives of the Paper and the objectives set for the transport sector by EU leaders. As a result, the joint informal Council of transport and environment ministers which met at Leuven / Louvain-la-Neuve on 14th/15th September called for measures beyond the scope of the CTP White Paper.

⁸ IBID, page 6.

⁹ The Common Transport Policy. Sustainable Mobility: Perspectives for the Future, Com (1998) 716 final.

¹⁰ For example, the Joint Expert group on transport and environment was not given an opportunity to contribute to the White Paper, whilst the demands of the EU leaders at the Gothenburg Summit to “significantly decouple transport growth from GDP growth” were as far as possible rejected and sidelined.

3. Strengths and weaknesses of the white paper

Here we outline the White Paper's strengths and weaknesses while indicating relevant existing previous decisions and statements, either from Member States or the Parliament. The Council and Parliament have an opportunity to build on the strengths of the White Paper while eliminating its weaknesses. In their respective responses to the paper they can also signal to the Commission areas where the White Paper diverges from their priorities.

3.1 Strengths

I. Recognises the need to break the link between economic and transport growth.

There is recognition that there should be a decoupling of transport growth from economic growth in the paper. However, this is caged in extremely cautious language that portrays the effects of other policies such as modal shift as achieving a gradual decoupling. Given the strength of the Gothenburg conclusions - that called for a significant decoupling – this element of the paper needs to be significantly built upon by the Council and the Parliament.

II. Recognises that there is a crisis facing European transport, including its lack of sustainability.

The White Paper recognises that transport is currently unsustainable and that the sector needs to change course as a result. Many of the conclusions drawn by Member States and the European Parliament echo this view. Of particular note from Member States are: the declarations of Vienna, Helsinki and London; the transport and environment integration strategy; and the Gothenburg European Council conclusions.

III. Accepts that modal shift will be necessary together with other policies

The decline in the market share of the rail sector is the one important issue that is given high prominence in the White Paper. Over the next decade the Community should divert the flow away from the roads and propose measures that will make railways more attractive as an option to travellers and freight customers. Nevertheless the White Paper also acknowledges that maintaining modal share at 1998 levels will be a challenge and that other measures will be necessary.

IV. Outlines the need to harmonise fuel taxes for the haulage sector

The fuel price crisis in 2000 highlighted the scale of the market distortion that results from applying different fuel tax rates in an industry that has otherwise been liberalised into one market. The White Paper notes the unfair competition caused by these differing tax rates. The Paper therefore highlights the need to place the primary tax burden for the transport sector on principles of territoriality rather than promoting "fuel tourism".

V. Re-affirms previous commitments to take action on transport pricing.

In the 1998 White Paper on Fair Payment for Infrastructure Use¹¹ the Commission outlined a timetable in which transport prices would gradually move towards a fair and efficient system. This timetable for future action included the internalisation of costs currently external to the price. Member States have long backed the polluter pays principle for transport and this affirmation of the timetable of the 1998 White Paper should therefore be welcomed. Moreover the White Paper also details the Commission intention to propose a framework Directive on pricing as early as 2002, which would better enable member states to apply the principle themselves as well as aid its early application at a European level.

¹¹ European Commission Communication - Fair payment for infrastructure use: a phased approach to a common transport infrastructure charging framework in the EU, COM (1998) 466 final.

3.2 Weaknesses

I. Overall objective is congestion rather than sustainability.

The objectives of the Community as a whole are broad and seek to balance all three pillars of sustainable development. The focus on congestion in the White Paper is therefore somewhat inappropriate. It is only in passing that any mention is made of the environmental or social problems caused by transport. The Council and EP should highlight the need to work towards broader sustainability goals rather than the narrow objective of congestion.

II. Policy target is modal shift rather than demand management.

If the transport sector is to contribute more effectively to the EU economy and society it needs to decouple its growth from economic growth. Improvements in modal split and technology will not be sufficient to achieve sustainability. The policy target should be to *significantly* decouple transport growth from GDP growth – as requested by EU leaders at the Gothenburg European Council.

III. The policy measures specified are unlikely to achieve even the paper's limited objectives

Whilst the policy measures outlined may be numerous, they are by-and-large measures that have been previously outlined or planned. The crisis for sustainability which the transport sector poses will need further measures including, as the White Paper states, some which are not usually viewed as transport-related measures. The safety target of halving the number of road fatalities by 2010 is another case where the objectives will not be attained by the measures outlined. The Commission needs to accept that, even in urban environments, it has a shared competence to improve road safety and should propose measures to comply with its responsibility.

IV. No detailed measures to tackle transport's greenhouse gas emissions.

There had been numerous promises prior to the White Paper that it would include specific measures to counter transports growing emissions of CO₂. However, the only references to specific policies in the White Paper are for the promotion of biofuels that, for the period the paper covers are of small value at best.

V. Environmental problems are more extensive than climate change

The paper limits its coverage of transport's environmental impacts to climate change. There are many other significant environmental transport related challenges, such as air pollution, noise, habitat fragmentation, resource consumption and waste production which are also heavily transport-related. Tackling the environmental impact of transport requires not just measures to reduce greenhouse gas emissions, but additional measures to tackle all of transport's environmental problems.

VI. Maritime transport promoted despite extremely poor environmental performance

Before this mode is promoted, the objective for the maritime sector should be to reach at least the levels of social and environmental performance of the other modes, in terms of basic technical improvements and operating norms. There are criminal elements of this industry and others that reject wholesale the notion of EU regulation. Much greater efforts are needed to bring the industry up to standards worth promoting.

VII. Projections for the development of transport are inconsistent and poorly constructed

Without a specific mandate the Commission looks set to continue developing a raft of different predictive modelling and policy tools which serve different directorates, and for different purposes. The Commission should be given the mandate to consolidate the various tools and models it has, and is in the process of developing, with the help and advice of a broad expert panel, to allow future transport policy to be based on a more rational, transparent and coherent analysis.

VIII. Focuses on the rights of transport users rather than the rights of citizens who suffer the effects of transport

The rights of citizens should be the centre of all EU policies, rather than the needs of particular segments of society. Citizens fulfil various roles at different times, and the policies which the EU defines for transport should support them consistently throughout the day, not just when they are travelling.

4. Brief assessment and recommendations, by chapter

The CTP white paper is structured in four parts:

1. Shifting the balance between modes of transport
2. Eliminating bottlenecks
3. Placing users at the heart of transport policy
4. Managing the globalisation of transport

The paper is then finalised with a conclusion and is accompanied by four annexes including the action programme necessary to deliver the plan outlined. This chapter of the T&E report gives a summary of the main points, followed by our recommendations. The annex to our document looks at the contents of each section in greater detail.

4.1 Policy Guidelines

T&E assessment

The paper recognises that transport is in crisis and that the responses needed are radical departures from past transport policies. However, the objectives and measures outlined in the paper are too modest to achieve radical change in the future.

The paper proposes as main objectives for the CTP a modal shift that would retain the same market shares for all the modes in 2010 as in 1998, and a halving of road deaths by 2010 – though with little explanation as to how this is to be achieved or a proper analysis of whether the proposed measures are sufficient to achieve it.

T&E Recommendations

- The overarching goal of the CTP should be managing transport volumes, with a significant decoupling of transport and economic growth. The objectives of the Community – including the three pillars of sustainable development – should guide EU policy objectives, including transport policy. Tackling rising volumes of traffic and breaking the link between transport and economic growth will be necessary if transport is to more effectively contribute to the economy. Such a demand management target would not just improve economic competitiveness, but also aid the achievement of social and environmental goals.
- The need to act to secure the objectives of the community means that the EU would be more than justified in taking action on urban transport policy – including legislation.

4.2 Shifting the balance between modes of transport

T&E assessment

The quantitative projections given at the start of this white paper chapter are not particularly robust and the methods used to produce them questionable¹². Yet the main qualitative conclusion that the sector faces a crisis is entirely valid. However, the paper concludes that congestion is the most acute problem, without providing sufficient justification for such a sweeping claim. Moreover, the paper does not explain how congestion is related to the objectives of the CTP; nor does it justify resolving this problem as the highest priority for European transport policy over the next ten years. Indeed there is a contradiction between the prominence the paper gives to congestion – a largely urban transport phenomenon – and its rejection of urban transport issues having central relevance to the CTP. The treatment then given to environmental problems is particularly disappointing. The list of environmental problems is limited to climate change; and the resolution of this problem even equated with the resolution of congestion. Other issues, such as air and noise pollution or resource consumption, or the fundamental problem of growing demand, are simply not mentioned.

The white paper's main target is given as maintaining the modal split at 1998 levels by 2010. Yet no real discussion or evaluation is presented as to whether this is likely to be sufficient to meet all the goals of transport; nor whether it would do so more effectively than other potential approaches.

T&E Recommendations

- Rebalancing the modes is merely one (extremely valuable) element to achieving these wider goals and should not be viewed as a strict objective in its own right. The priority for transport policy should be to make transport more efficient and contribute to EU competitiveness as a result, as well as lowering environmental impacts and improving social standards. This should be the explicit goal of the CTP.
- The rebalancing of modes will be most effectively achieved by harmonising their treatment by regulators and decision makers – including their pricing regime.
- The pricing system for transport needs to be brought into line with the rest of the economy by applying the user pays principle. Marginal social cost pricing also needs to be applied to all modes. Additionally, standards and other requirements with social and environmental significance need to be improved across the board.
- The social standards for all transport modes should be as stringent as the rail industry – and those standards effectively enforced. Electronic monitoring of driver hours and road pricing using the electronic tacograph is a priority for the road haulage industry.
- High social standards should also be applied to the maritime sector, and its environmental performance must improve – via internalisation of external costs – before the sector is promoted.
- Liberalisation of the rail industry is vital. However, this should not mean privatisation of infrastructure, which should rather act as the lever by which overriding public policy concerns are delivered.
- Creation of a European rail agency is the best way to ensure that developments in rail policy are supported by improvements to both safety regimes and interoperability requirements.
- Unilateral European action is needed on aviation's environmental performance; this would stimulate global action rather than prevent it.
- Increasing airport capacity should be neither a focus nor a priority for the Community.

¹² Early drafts of the white paper included an annex outlining the derivation for these projections. The method used was one combining various model projections that are so incompatible currently DG Environment is presently undertaking a review of how future development of one of them – TREMOVE – can improve compatibility to levels where such amalgamation of data is possible. T&E are members of the contact group engaged in this work.

4.3 Eliminating Bottlenecks

T&E assessment

This chapter of the paper discusses the issue of bottlenecks and what is needed to remove them. However the discussion is confused. The *problem* of congestion is presented, with various examples given of heavy road congestion. Yet the *action* suggested is almost exclusively limited to railway infrastructure. So it is not clear whether the Commission foresees the need to tackle road bottlenecks as well as rail over the next ten years, or whether it sees only rail bottlenecks as needing action. Furthermore, the Commission insists throughout the paper that the subsidiarity principle means that the community has no responsibility for car traffic within Member States; especially in urban areas. Yet much of the 'bottleneck' congestion highlighted is the primary cause of local, not international, traffic. Further, there is an assertion that eliminating bottlenecks reduces congestion, but no assessment of the likelihood of it's encouraging extra traffic and causing worse problems.

The paper's main proposal is to complete the 14 Trans-European Network priority projects agreed at the Essen European Council in 1994, and to add to them a range of specific projects¹³, from a fixed link between Denmark and Germany to the Galileo satellite navigation project. The original Essen projects were selected via a flawed process which was widely criticised for not following rational assessment of transport and economic priorities. The additions have been selected through a similar process. The white paper should have developed a framework for decision-making that would have put priorities for Community expenditure on a more transparent, rational basis. In addition, financial problems should be overcome by increasing the degree of community funding possible for TEN projects, facilitating partnerships with the private sector and using allocated income from transport charges and taxes.

T&E Recommendation

- We believe that improving the framework for decision-making on new infrastructure is the highest priority for European transport infrastructure policy. This will need improved cost benefit analysis methods that determine the location where benefits are expected and include externalities.

4.4 Placing users at the heart of transport policy

T&E assessment

This chapter is the first to address the impact the transport sector has on society, although it does not do so in a comprehensive fashion. It is split into four sections and covers road safety, new technology, pricing, and urban transport issues. It recognises the urgent need to tackle the enormous death rate on EU roads, and sets as a target the halving of fatal accidents in the Community by 2010. Yet very few measures are proposed to achieve this: the Commission insists it has no competence for urban road transport, because of the "subsidiarity" principle, which is taken to mean that the Community may not take effective action. The role the Community is thought to be able to play in urban transport is limited to the sharing of best practice. If this were true, then there seems little point in the Commission setting a target which it cannot meet, and is not even responsible for meeting.

The paper focuses on the right to mobility, confusing individuals' rights to freedom of movement with an undefined right to unbridled mobility. This is a fundamental weakness

¹³ The 14 Priority projects were identified and adopted by the European Council in Essen on 9th – 10th December 1994 (See Annex 1 of the Council Conclusions).

which has always been at the centre of the CTP; it fails to recognise that ever-increasing mobility is unsustainable, and that policy should ensure that people can have access to the things that they need, but with *less* need to move so far or to transport goods so far.

The paper says that placing the user at the heart of transport policy requires Community policies to make transport prices clear and acceptable to transport users, whilst internalising external costs. In the same vein, the paper proposes harmonising fuel tax across the Community for commercial drivers, as a necessary step to bring the user to the heart of policy. Community policy is to build on existing measures to enforce passengers' rights in the aviation sector, with actions to clarify and establish the responsibilities of users. These are to be replicated in other modes.

T&E Recommendations

Additional measures will be needed to achieve the road safety target. These should include:

- Directives on urban speed limits,
- Technical specifications for interoperability of active safety equipment such as speed limiters,
- Recommendations on cost effective measures to improve urban transports safety and environmental performance,
- Earmarking of funds for infrastructure from transport charges is only justifiable if cost benefit analysis is improved and approves the schemes,
- Citizens and not transport users should be placed at the heart of transport policy.

4.5 Managing the Globalisation of Transport

T&E assessment

This chapter deals with the challenges which enlargement poses to the EU, and with the EU's role in the world. Infrastructure is described as a challenge to the enlargement of the Community. The well-developed rail network in accession countries however offers opportunities to aid the rebalancing of transport modes. Enlargement will also bring the Community a stronger role in the global regulation of the maritime sector. In one section the paper appears to believe that preventing the decline of the rail sector in the accession states would enable the Community as a whole to achieve its modal split target.

The paper also advocates that the Community should be more assertive on the international stage and speak with a single voice in institutions like the Rhine and Danube commissions, to which the Community should accede. Being more assertive globally would mean that the aviation sector would be guided by the developments in ICAO, rather than the EU trying to go it alone, which is far more likely to be effective. The Galileo global satellite navigation system is presented as allowing a degree of freedom in an important area from dependence on either the current Russian or US systems.

T&E Recommendations

Enlargement

- Central and Eastern European countries have an extensive rail and public transport network. The community should aim to optimise the use of this existing system by investing in its upgrading and maintenance rather than by stimulating private transport development. Against what the CTP advocates¹⁴, the current European transport network should link to the network in the candidate countries, rather than force them to

¹⁴ White Paper, page. 92 "Priority must be given to funding infrastructure that eliminates bottlenecks, particularly at the frontiers, and modernises the railway network. *In addition to restoring or building infrastructure, it is essential to connect it to the current trans-European transport network.*"

link to a road-oriented network. In order to achieve this goal, it is important to re-examine the infrastructure objectives developed within the Transport Infrastructure Needs Assessment (TINA) context.

Transport's international dimension

It is worth pointing out that the paper is rather confusing in its objectives on international transport. While recognising that little progress can be expected from international agreements, it nevertheless recommends that policies be taken at international level. We believe it is important that European values and objectives be defended internationally, and that leadership be taken on sustainable development.

We therefore recommend the following:

- Aviation is a global sector by its nature. Since very little attention is being paid to sustainability in the international context, we urge the community to show leadership by moving ahead with unilateral action, which may then help to facilitate stronger global agreements. This approach has already been advocated by member states, some asking for an international kerosene tax.
- The community should re-consider the usefulness of a European navigation satellite system (Galileo). At present, a huge amount of European taxpayers' money is being spent on the project, which seems expensive and unnecessary. There should be a proper and comprehensive cost benefit and risk assessment to justify this expense, involving citizens and NGOs.

4.6 White Paper conclusions

T&E assessment

The last chapter of the paper offers an action programme. It concludes that a number of problems will have to be resolved if the common transport policy is to be adapted to the requirements of sustainable development. These are: adequate investment in infrastructure; political determination to tackle congestion; new approach to urban transport; and satisfying the needs of the users.

The paper also concludes that there is a need for measures outside the traditional remit of transport policy in order to ensure an integrated approach to sustainable development. This includes: economic policy; land use and town planning; Social and education policy; Urban transport policy; Budgetary and fiscal policies; competition policy; and research policies.

T&E Recommendations

We believe the scope of the paper is inappropriate and therefore recommend the following:

- Tackling rising volumes of traffic is more important than finding rising volumes of infrastructure finance.
- It is necessary to tackle all the environmental problems of transport and not assume this means only tackling congestion.
- The changes to urban transport need the assistance of strong community action.
- Citizens are at the heart of transport policy. This refocus needs to take place in the paper so that transport policy serves society, rather society serving transport needs – which is the result of having users' needs define policy.

5. Conclusions

The White Paper on the Future of the Common Transport policy is a mixed bag. Some elements are good, others are bad and some are simply absent. Whilst this report has been critical on the whole of the approach adopted in the paper, many of the measures it proposes are necessary. Indeed many of the measures – on pricing or rail liberalisation for example – have been advocated by T&E for a long period of time. However, many of these policies have been previously announced or are logical extensions of the current work, rather than being anything dramatically new or an unusual break with current policy. We need such a break if we are to achieve sustainable transport.

The picture the White Paper attempts to paint is one of crisis, where transport policy needs to alter course dramatically if current unsustainable trends are to be reversed. Yet many of the measures in the paper, which have in the past contributed to the development of the strong and unsustainable trend of growth, still lie at the heart of this White Paper. As an example whilst the concept of ‘bottlenecks’ has now replaced the term ‘missing link’ in the last White Paper, it remains an excuse for committing large sums of public money to infrastructure programmes which will generate additional demand. That this is in advance of any assessment, strategic or otherwise, on the necessity of such programmes undermines the claim that this White Paper is attempting a new approach.

Some of the ideas proposed in the paper that are *new* are of rather poor quality. For example, ‘motorways of the sea’ are never defined and so it remains unclear what is meant by this term, or even when or how they could be achieved. Environmental impacts are particularly poorly treated, with no explanation of how the foreseen transport policy would impact air pollution, biodiversity, resource consumption, land-take, habitat fragmentation, or the production of waste streams. Aviation is also treated as a favourite child: the paper not only protects aviation’s continued strong growth, but also promotes it.

The projections upon which the paper is based are also of dubious origin, even if the qualitative conclusions drawn are more supportable. Furthermore, these projections are used to dismiss, without discussion, the option of tackling traffic growth by measures that manage demand and thus break the link between transport and economic growth. It is the absence of such elements that truly weakens this paper. This refusal to appropriately challenge the link between transport and economic growth runs contrary not only to calls for a new approach made by EU governments at Gothenburg¹⁵, but also to what leading economists are now calling for. The EU institutions should remind the Commission that their own qualitative conclusions on the crisis facing transport mean that it really is time now to decide.

It is time for a genuinely new approach where transport serves Europe, instead of being a continuation of Europe serving transport’s continued growth.

¹⁵ Council conclusions to the Gothenburg European Council included the response of EU heads of government and heads of state to the sustainable development strategy. This identified transport as one of the four priority areas for action and one where “a significant decoupling of transport growth from GDP growth” was necessary.

Annex: Detailed assessment of the White Paper

1. Policy Guidelines

The chapter on policy is split into six different sections. The first highlights how successful previous policies had been in terms of stimulating growth in transport within the EU. The revisions to the Treaty covered in this section curiously cover only the amendments made up to and including those under the Maastricht treaty, thus excluding all work under the Amsterdam treaty. The section notes that alongside the growth of transport that has accompanied the opening up of transport markets, there has been a marked shift between modes. The section also notes that this is in part a reflection of the lack of internalisation of external costs. This section also highlights how congestion has grown and how rising transport volumes have led to corresponding rises in impacts on health and environment.

The second section of the guidelines highlights the growing problem of congestion and the lack of successful measures to combat this problem. The third section highlights the additional growth in transport that can be expected to accompany EU enlargement.

It is only in the fourth section that environmental and sustainability concerns stemming from the growth in transport are considered. The section includes the revisions to the treaty made at Amsterdam which requires that environmental considerations be integrated into community policies. It does not, however, completely cover the environmental objectives of the Community outlined at the start of the Treaty.

The section also reviews the demand made by EU leaders at Gothenburg to “significantly decouple transport growth from GDP growth”. This high level political objective is the latest contribution EU leaders have made to the integration of environmental concerns into transport policy. Yet in the White Paper this demand of EU leaders appears to be deliberately misinterpreted as only requiring, “greater efforts to gradually break the link between transport growth and economic growth”.

Although the environmental challenge posed by climate change is briefly reviewed in this section, the paper fails to mention any of transports other environmental problems. The section also reviews ways in which transport and economic growth may be decoupled, but does so in a way that offers little choice between ineffective limited action or a wider package of a series of measures. It is indeed a pity that following identification of the self-evident need for a comprehensive approach, the rest of the paper falls short of such a strategy.

The fifth section of this section stresses the need for a comprehensive strategy that goes beyond transport policy of a purely European character. The paper makes it clear that this is not merely a question of ensuring policy consistency throughout the tiers of decision making on transport policy, but also the need for consistency in other policy areas which impact transport.

2. Shifting the Balance Between Modes of Transport

The overall picture

This is perhaps the main part of the body of the White Paper as it outlines what the Commission believes transport trends to be for each of the modes of transport and what policy response are appropriate as a result. This chapter of the White Paper describes past developments and comments on future trends for each of the different transport modes.

The chapter begins with a review of the development of the sector as a whole, highlighting the strong growth since 1970 for both passenger and freight transport, particularly for roads. Although the White Paper is a blue print for transport policy for the rest of the decade, there is very little effort to project how these trends may develop. Indeed there is only one passing reference to how the growth in the sector may develop leading to a 50% increase in freight transport by 2010.

Yet in the annex to the paper there is a more detailed projection for the development of transport growth until 2010. This has three different scenarios and no explanation as to what conditions or assumptions prevail for each.

Of all the contents of the White Paper, the statistical projection is the weakest element. Numerous other Commission communications, publications and proposals have used projections for the future development of trends that have been developed in cooperation with Member State, other international institution and stakeholder experts – for example the modelling and forecasting work undertaken for the Auto Oil Programme (AOP).

This programme is often cited by the Commission as an example of best practice for policy development. The “base case” for the AOP-II was developed following extensive consultation with experts from other international institutions, member state experts and stakeholders. In this way the process elaborated a set of projections, which has been thoroughly peer-reviewed and represented the state of knowledge across the expert community for the development of emissions from road transport until 2020.

Similarly for the elaboration of pollution emissions from all sources the RAINS model developed by IASA supported by input from all member states and stakeholder experts has proved an invaluable tool to define policies combating regional pollution problems such as acidification and tropospheric ozone.

These models should have been harnessed in a transparent manner to give more robust projections for the CTP white paper. Others which have been, or are being developed, for other related purposes should also have been included to generate some realistic scenarios to meet sustainability objectives. For example:

- SCENES¹⁶ has been developed by DGTREN as a model for strategic transport forecasting for all of the EU15, and includes trips by walking and cycling – although how this performs in comparison with similar models of each of the Member States or with models that model developments in them all (e.g. STREAMS) is unclear at present. Moreover, the efforts to link the output to wider questions of sustainability

¹⁶ The second Auto Oil Programme was a collaborative exercise undertaken by all the services of the Commission; the oil, motor and component industries; Member State experts; and international organizations such as the European Environment Agency and the Joint Research Centre. The goal was to establish cost effective fuel quality and vehicle emission standards that would sufficiently contribute to compliance with air quality objectives. The “base case” was developed and agreed by all participants in the project to determine the scale of the emissions and pollution problems on a business as usual basis following application of all the agreed standards and regulations.

have focussed on the economic or social dimensions and have not yet included environmental factors;

- TREMOVE¹⁷ was developed under the Auto Oil programme to assess the most cost effective measures of reducing transport emission levels to those needed to comply with air quality legislation;
- PRIMES¹⁸ has been developed for all energy uses including transport, to help in climate policy. The Commission developed it following consultation with member states and stakeholders and it has allowed development of future projections for greenhouse gas emissions both by individual sectors and member states. It highlights the performance gap in improved energy efficiency of transport compared to other sectors and the transport component is now being revised by the developers of the TREMOVE model;
- The projections of the abovementioned EST project demonstrates the need to go beyond the business-as-usual (BAU) approach and adopt measures that are driven by all three of sustainable developments pillars.

These different models and data would have presented a large contribution to the difficult task of predicting the development of transport and its impacts for a range of differing conditions. However, the lack of direct compatibility between them presents a considerable challenge and would require input and contributions from the experts who aided their development. This expertise is largely found in Member State ministries, stakeholders and think tanks or consultancies. This once again underlines the need for the paper to have been produced on the basis of a cooperative and inclusive process.

For the development of the future of Community transport policy, the Commission appears to have 'plucked figures from the ether' with no consultation or peer review process. As a result no real credence can be given to the figures projecting future trends in the development of transport in the White Paper. This is not necessarily to say that the trends identified in general terms are unconvincing. But it is the case that the precise predictive figures used from the table in Annex 3 throughout the Paper should not serve as a basis for policy discussions.

The road sector

The first mode of transport covered by the chapter is the road transport sector. The paper notes the strong growth the sector has witnessed and its dominant market position. The paper highlights that the regulation of the sector is lax and that road safety is of great concern as a result.

The other problem noted for road transport is the difference in fuel tax rates across the Community. The paper also mentions the response of Governments to the 2000 fuel price protests. The paper notes that the concessions granted by many member state governments are no substitute to a real long-term solution to this problem.

The remedies the paper foresees as necessary are additional regulation of the road sector, especially for the social aspects of its operation. This will require further action on working time for all commercial drivers, harmonised weekend lorry bans, a single "drivers certificate" to ensure drivers are legally employed, and vocational training rules for professional drivers.

The paper notes that enforcing these and existing regulations will need to be facilitated by tighter controls and penalties. The Paper promises that the Commission will propose

¹⁷ TREMOVE was developed by taking components from previous European scale models and building upon them. The models used were TRENEN, EUCARS, and FOREMOVE alongside the COPERT II method and EPEFE equations (to account for improving fuel quality) were used.

¹⁸ PRIMES was developed with the assistance of DG XVII led by Prof. Kapros of the University of Athens.

harmonised controls and penalties by the end of 2001. The aim will be to harmonise penalties and the interpretation of rules, increase the number of checks and encourage systematic exchange of information between member states. Suggestions for better regulation of road haulage are welcome, as this could help to create a more level playing field between the highly-regulated rail sector and deregulated roads. Pricing measures would also be welcome, provided that they allow all environmental and other relevant costs to be fully reflected.

In order to facilitate this further the paper then highlights that the introduction of the electronic tachograph by the end of 2003 will significantly improve monitoring and recording of data. The paper also notes that this system, when harnessed with the Galileo satellite system, will also improve the traceability of goods during distribution.

The rail sector

This chapter of the White Paper starts a review of the rail sector by noting the contrast between modern high-speed trains and the low level of performance that characterises the rest of the network. The decline in market share for rail, particularly freight (down from 21.1% in 1970 to 8.4% in 1998), is then highlighted alongside the comparison of freight market share achieved by rail in the USA (40%).

The paper takes a very critical tone on the performance of the rail industry. The figures used include the often-quoted figure for the average speed of international rail haulage of 18 km/hour. The derivation of this figure is uncertain, despite its widespread use. Rail industry experts dispute it and consistently demand to have its source legitimated. Whilst this does not seriously diminish the case for urgent improvements to the rail industry's performance and its market orientation, the use of this figure in the White Paper is demonstrative of a dismissive tone for the current industry.

The main problem highlighted by the White Paper is the need for the rail industry to undergo a "veritable revolution" in order to become competitive once again. The industry's voluntary commitments to improve their performance and market share by 2020 are outlined in the paper at this point. The principal obstacle identified in the paper to achieving these commitments is the lack of a real "internal market" for the rail sector, and the lack of customer orientation by the industry as a result. Capacity restraint allied to old infrastructure and equipment is also cited in the paper as a major problem.

The remedies which are suggested are the creation of a genuine market for rail by the opening up to competition of all rail markets including national cabotage and the international passenger market. This would be accompanied by the promotion of improved standards in the industry – especially as regards interoperability and safety standards. This would be accompanied by improvements to rail infrastructure as well as its use and the modernisation of railway services.

It is necessary to open up markets between Member States: rail cannot be competitive with road, especially for freight, without it. However, the UK's recent experiences should remind us that liberalisation and privatisation are not a panacea for rail transport problems.

The aviation sector

The general approach of the White Paper is to welcome or even promote growth in the transport sector despite any associated increase in negative impacts that result from such growth. This is particularly the case in the aviation sector. Aviation's rapid growth – which has led to a "saturation of the sky" – is described as an air traffic control problem and inadequate airport slot allocation rather than the environmental or noise pollution consequences of an "unlimited growth" approach practised by industry.

The paper identifies the problem of air traffic control and slot allocation as a major break on the continued growth of aviation. Yet even with the resolution of these problems this section of the paper concludes: **“Europe will not be able to cope without new airport infrastructure”**¹⁹.

This chapter does recognise that there is a conflict between promoting continued growth of the aviation sector and environmental protection. It even concludes that “measures to reduce noise and gaseous emissions caused by air traffic is a sine qua non if the industry is to continue to grow”²⁰. Yet the conclusion drawn is that efforts to implement such measures are seriously hampered by the international agreements in the ICAO structure. The Paper in fact stresses that **“account must be taken of the international commitments entered into by member states within the International Civil Aviation Organisation (ICAO)”**²¹.

However, this has not been the approach the Commission or the Community has taken with regard to improving maritime safety, especially with respect to the accelerated phase out of single hull tankers following the Erika disaster. In this case the EU acted unilaterally and in so doing ensured that the international community, within the context of IMO agreements, followed the EU lead. Unilateral action by the EU within a context of global agreements has thus enabled the EU to adopt a leadership role. This unilateral approach should now be adopted with respect to aviation and ICAO.

Linking the modes and the maritime and inland waterway sectors

Although the White Paper places a large emphasis on the need to improve the contribution made to freight transport by the maritime and inland waterways sectors it does so only in the context of “linking up the modes of transport”. This section begins by reminding us that the location of many of Europe’s older towns and cities was originally determined by their proximity to the river for transport, thereby highlighting the potential for inland waterways.

The decline of the maritime sector in terms of gross weight of shipping flagged under EU jurisdiction is highlighted in this section. The paradox between this decline and the continued high market share achieved by the maritime sector is then highlighted. Notwithstanding this high market share the paper notes the structural problems of attracting more transport away from the road sector. The section concludes that these structural problems have prevented the maritime and other modes shifting transport away from road to intermodal freight services. As a result the section outlines the various initiatives envisaged to reduce these structural problems to improve the potential for intermodal transport. These include:

- A large-scale new programme called Marco Polo to support intermodal initiatives and alternatives to road transport until they become commercially viable;
- Develop “motorways of the sea” – envisaged to provide a real alternative to road transport – particularly the current road freight transport that is trans-alpine;
- Proposals for high quality standards for access to the port services market;
- Developing a “one stop shop” to bring together all the links in the logistics chain to enable intermodal transport to compete more effectively with road transport;
- Proposals to improve standardisation and interoperability between modes including those applicable to infrastructure and its operation;
- Encouraging the emergence of “freight integrators” to facilitate the increase of intermodal freight market share.

¹⁹ White Paper page 37 – emphasis in original.

²⁰ White Paper page 37

²¹ White Paper page 39 – emphasis in original.

The Commission strongly highlights the advantages that inland waterways and the maritime sectors have over other transport modes in terms of their environmental performance. Unfortunately such sweeping claims are presently rather inaccurate. Whilst waterborne freight transport does have a significant advantage over other modes in terms of greenhouse gas emissions, it has very poor performance in terms of other pollution. The use of such low-grade technology allied to the worst fuel quality possible mean that for pollutants such as nitrogen oxides and sulphur dioxide a shift towards inland waterways and short sea shipping would mean an increase in environmental damage caused by regional pollution problems such as acidification and ozone pollution. The Commission is extremely ill advised if it believes that there are either no such trade offs or that they are an acceptable price to pay for greenhouse gas emission reductions from the transport sector. If the White Paper had considered the broader environmental impacts of waterborne transport (eg acidifying and ozone precursor emissions) it might have come to a less favourable conclusion, or, better still, proposed some measures to clean up emissions from ships. This omission is typical of the inconsistent and unsystematic approach which runs right through the White Paper.

This first chapter is thus characterised by a superficial examination of the current situation and a less than complete assessment of the options for the future development of the different modes. Moreover the entire issue of the consequences of enlargement of the Union envisaged prior to the end of the period is absent from this chapter.

3. Eliminating Bottlenecks

This chapter begins with a telling admission, notably absent from the section of the paper relating to environmental protection and sustainable development: “with the transport boom outstripping economic growth, the persistence and indeed the very size of a number of bottlenecks on the main international routes is posing a major problem for the transport system in Europe”. Whilst this recognition of the unsustainable pace of transport growth is refreshing, it would have been more in line with the EU leaders commitment to a “significant decoupling of transport growth from GDP growth” made at their Gothenburg European Council if it had been taken as a signal to act against transport growth rather than bottlenecks. Instead the Commission outlines a plan whereby large-scale investment is foreseen as necessary to construct new infrastructure to accommodate rather than manage transport growth.

This error would be more understandable if either there was good evidence that infrastructure construction allows the elimination of bottlenecks, or that the approach to decision making envisaged for these new infrastructure projects were of a sound, rational, and balanced nature. Unfortunately the fact is that the evidence continues to demonstrate that it is not possible to “build your way out of congestion”. Whilst it is true that construction of additional infrastructure at bottlenecks relieves congestion at that point, it is not clear that congestion overall is relieved, but rather it is shifted to new network “bottlenecks”. Moreover, there is strong evidence that the additional infrastructure offered generates its own additional demand beyond that which would have occurred had the infrastructure not been constructed.

Compounding this misjudgement by the Commission of the impact new infrastructure may have, is the approach to decision making foreseen for the projects the White Paper views as necessary to unblock bottlenecks. Instead of recognising that there are very legitimate reasons why some projects should not be undertaken because of public hostility to them, the White Paper derides such reasons and local protestors. The White Paper outlines the delays to the construction of the TENs including “local opposition to the building of infrastructure²²”

²² White Paper page 50

but goes on to state that “whatever the delay to certain projects, support should continue to be given to the trans-European network”.

This approach to public participation in decision-making is contrary to the Aarhus convention which is now in force. Yet even more important than the legal considerations is the message which the Commission wishes to send to the citizens of the EU: ‘Transport and the growth of the sector is more important than your rights, your concerns or the democratic process!’

It is also rather surprising that the White Paper never actually defines “bottlenecks”. References in the text to bottlenecks seem to indicate rather different characteristics; from low infrastructure capacity on rail links crossing borders to saturated high capacity road networks in the most populous areas of the EU. Without a meaningful definition of what is meant by the term of bottlenecks, it is only possible to conclude that the term is being used rather loosely to mean any restriction on increased traffic. With such a broad usage the term loses its helpfulness particularly when the goal of policy has now to include the decoupling of transport growth from economic growth. In addition, the Commission emphasises that eliminating bottlenecks reduces congestion, but ignores the likelihood that this will simply encourage extra traffic and cause worse problems overall.

It is indeed a pity that this chapter, essentially on infrastructure policy, is so flawed for it does contain some worthy elements. There is for example recognition that efforts will have to be made on upgrading rail infrastructure – especially rail freight infrastructure – if a rebalancing of the modal split is to be realised. Here the chapter refers to the Gothenburg European Council conclusions that transport policy should “tackle rising levels of congestion and encourage the use of environment-friendly modes of transport”²³.

The chapter therefore outlines how investment should “**encourage the gradual development of trans-European corridors for priority or even exclusive use by freight trains**”²⁴. Also recognised is the need to support projects that aim to improve the main friction point for intermodal transport – transshipment facilities such as ports and terminals.

High-speed rail is presented as a success story in this chapter and its continued development promoted. There is, however, a lack of consistency between this objective and the developments necessary for the priority freight routes previously identified. Moreover the chapter continues by stressing the need for the high-speed network to be integrated to the air transport sector when its advantage and success lies in its ability to connect central urban locations. Enabling the air transport sector to gain such access will not merely increase rail passenger numbers, it will also promote the aviation industry.

The other priorities for the development of the TENs that this chapter outlines rely heavily on the Essen 14 priority projects. There are, however, some notable additions to these previously agreed priorities, such as:

- The additions to the high capacity rail link across the Pyrenees;
- An East West high-speed/combined transport rail link eventually linking Paris to Vienna or beyond;
- A fixed link between Denmark and Germany;
- Improved navigability of the Danube in Germany to allow uninterrupted passage from the North to the Black Seas;
- Improved interoperability of the Iberian high-speed rail network eventually (by 2020) aligning the gauge with that of the rest of Europe;
- The Galileo satellite navigation project.

²³ White Paper page 50

²⁴ Page 51 of the White Paper – emphasis in original.

A further area for action identified in this chapter on infrastructure is the need to improve safety in tunnels. The subsequent fire in the Gotthard tunnel underscores the importance of the Commission pressing forward with proposals at the earliest opportunity for this topic.

Of all the bottlenecks identified in this chapter, the one that has had the longest duration and is most difficult to overcome is the “headache of funding”²⁵. The paper recognises that the slow pace of completion for the 14 TEN priority projects is in part due to the problem of raising the large sums of public money needed for their completion. The chapter first outlines the available Community sources of finance as well as promoting frameworks that will allow the involvement of private investments without risking the consequences of the Channel tunnel fiasco. The chapter also notes as an example to follow the approach adopted by Switzerland to revenue raising for major infrastructure projects. The use of the heavy goods vehicle fee allied to other taxation sources and state guaranteed loans has enabled the Swiss to undertake ambitious infrastructure projects and upgrades to their already high class rail network.

Yet more generally, the chapter on infrastructure in the White Paper should have addressed the framework for decision making that would be appropriate for the Treaty as it now stands. This requires an approach that incorporates the checks and balances necessary to serve *all* the objectives of the Community²⁶, rather than just the single market objectives. However the need to include such checks and balances within decision-making on infrastructure is entirely absent from the chapter.

An essential contradiction of the White Paper is also evident from the high profile given to bottlenecks and congestion, both in this chapter on infrastructure and the rest of the paper in general. Congestion problems across the EU are most severe in urban areas and are most related to peak hour traffic problems. Yet the approach to congestion in the White Paper is limited to major transit arteries. So the White Paper taps into the widespread frustration with traffic congestion yet promotes the same infrastructure policies that have facilitated the rapid growth of transport and congestion in the first place.

4. Placing Users at the Heart of Transport Policy

This section of the White Paper firstly gives an overview and is then followed by sections on unsafe roads, costs for the user, giving transport a human face, and rationalising urban transport.

Overview

The chapter starts with the reminder that “whether they be members of the public or transport sector professional, everyone should enjoy a transport system that meets their needs and expectations”²⁷. The focus of the needs and expectations citizens have is therefore framed in people’s role as “transport users” rather than the wider needs and expectations they may have as citizens. T&E would far prefer that the *citizen* be placed at the heart of transport policy so that transport policy could respond to all the needs and expectations of citizens, and not just to those related to their mobility, since transport plays such an important role in all these different needs. In this way transport policy would serve all of societies needs. Defining citizens only as transport users leads towards policies that serve the transport sector and not the society as a whole.

²⁵ White Paper, page 58.

²⁶ Article 2 of the Treaty of the European Community outlines the objectives of the Community.

²⁷ White Paper, page 64

The drawback of placing users rather than citizens at the heart of transport policy is apparent right from the start of this chapter when the issue of infrastructure costs is raised. Instead of recognising that the pressure to tackle pollution, congestion and infrastructure costs are the concerns of ordinary *citizens*, the paper highlights the reticence *transport users* have for paying for these costs. Interestingly the chapter then also admits that citizens have rights, but only in the context of users. The rights of those disturbed by transport, such as those under night-flight take off or landing paths, appear to not have been recognised in the paper.

The fact that citizens do “expect more rational transport in towns and cities”²⁸ especially in order to tackle “noise and air pollution”²⁹ is admitted by the paper. However, in this area the Commission takes a step back under the subsidiarity ‘flag of convenience.’ It cites the constraints of the Treaty to justify an approach whereby “the Commission intends essentially to encourage the exchange of good practice”³⁰. How this interpretation of the Treaty fits with the objectives of the Community outlined in Article 2 is not specified.

Unsafe roads

This section correctly identifies road transport as the area of greatest concern for safety. This chapter of the White Paper establishes the challenging target for the Community of halving the number of road deaths per year in ten years.

However, the section unhelpfully comments that the, “large number of organisations and authorities responsible for road safety, both centrally and regionally, tends to rule out large-scale action and discourage the introduction of coordinated policies”. The Commission therefore moves away from its statement at the start of the chapter by outlining that it is essentially crippled into inaction beyond facilitating the exchange of good practice. The section outlines how the Commission intends to harmonise penalties for the road sector across the Community, promote new technologies to improve road safety, and consider other regulatory measures following a review of the situation in 2005.

The ability of the Commission to act beyond its perceived subsidiarity constraints is highlighted by the observation that “dangerous driving is a scourge on a par with a crime, and the Commission plans, as part of the Community’s justice policy, to take initiatives aimed not just at lorry drivers but all motorists”³¹.

The priorities outlined for this action are: the harmonisation of penalties on the TENs, starting with road haulage; the harmonisation of signs and signals throughout the TENs, the sign-posting of black spots; and the systematisation of road safety impact studies and audits.

The chapter also goes beyond facilitating exchange of good practice in referring to the proposal from 17th January 2001 for the harmonisation of legislation for permitted blood alcohol levels across the EU. Another area highlighted by this section is the difference in speed limits that are applied across the Community. However, no action is outlined to harmonise or improve this area that is crucial to the reduction of road deaths across the EU. Instead the paper promises that the Commission will propose that coach manufacturers will be required to fit all seats with safety belts.

The new technology that this chapter reviews as necessary to achieve the target of halving road deaths is not to be subject to single market harmonisation legislation requiring its use. The exception to this is the Commission proposal for speed limiters to be fitted to vehicles of more than 3.5 tonnes or those carrying more than 9 passengers. Instead the chapter reviews

²⁸ White Paper, page 64.

²⁹ White Paper, page 64

³⁰ White Paper, page 64

³¹ White Paper, page 67

a largely voluntary approach to new technology including black box data recorders, intelligent transport systems, vehicle speed management control and information technologies, improved vehicle design for occupant safety, and safer design for pedestrians and cyclists. Indeed this last issue is one where the Commission has repeatedly reneged on promises to propose legislation based on research it has itself funded in collaboration with the member states and stakeholders. Instead the chapter states that negotiations for a voluntary agreement on such standards are (still) being discussed with the industry.

Costs to the user

This section of the paper finally responds to the request of EU leaders made at their Gothenburg European Council for “the internalisation of external costs” and “a **significant** decoupling of transport growth from GDP growth”³². This section even quotes this demand from the highest political level meeting in the EU.

The response to this request of EU leaders is for the paper to state that **“the thrust of Community action should therefore be gradually to replace existing transport system taxes with more effective instruments for integrating infrastructure costs and external costs”**³³.

This section then notes that a framework for a fairer and more efficient transport pricing system has been a Commission policy for a number of years. The 1998 White Paper on fair payment for infrastructure use identified the costs that would have to be included in a fairer and more efficient pricing system. It also included a timetable for further Commission action that this section of the CTP White Paper reaffirms. This section also underscores the importance of “having fair and efficient charging systems on all transport networks”.

The section notes that **“contrary to popular thinking, such integration would not work against European competitiveness. It is not so much the overall level of taxes that needs to change significantly, but rather their structure, which needs to be altered radically to integrate external and infrastructure costs into the price of transport.”**³⁴

One of the first commitments to stem from this realisation is for the Commission to propose in 2002 a directive to guarantee the interoperability of toll systems on the TENs network. This is followed by a commitment to resolve the Austrian eco-points ‘problem’ by proposing a “transitional system to apply to sensitive mountain areas should it not be possible to bring the general modification of charging legislation into force in the beginning of 2004”³⁵.

This section also notes the large gap between the current community framework for transport pricing and the Community’s aspirations outlined both the White Paper on fair payment for infrastructure use and the Gothenburg European Council conclusions.

For road transport the current system is a myriad of different charges and tolls in different countries for different reasons. “The result is therefore a disappointment, in terms of both the harmonisation of national systems and the inclusion of environmental costs”³⁶.

This section also outlines the review the Commission is undertaking of the Swedish system of differentiated fairway dues and harbour fees that internalise external costs in the maritime

³² Gothenburg European Council conclusions, emphasis added.

³³ White Paper, page 72 – emphasis in original.

³⁴ White Paper, page 74 – emphasis in original

³⁵ White Paper, page 75.

³⁶ White Paper, page 75

sector. Depending on this examination of the Swedish system the White Paper states that “a Community framework may be proposed which links port taxes to these [external] costs”³⁷.

For rail, the pricing system has been harmonised so that environmental costs can be charged. The paper then adds that “noise-related charges still need to be ... [contemplated], if need be, a new pricing system introduced which takes account of this social cost”.

As regards air transport the White Paper notes the lack of follow up to the Commission proposal to regulate airport charges. “Nonetheless, several other options are being examined in this sector, such as taxes on ticket prices, charges based on the distance covered and the type of aircraft engine used, and charges for take-off and landing”³⁸.

All of these differences between modes and across the Community lead the Commission to conclude in this section of the White Paper of a need for a new Community framework. This section of the chapter firstly refers to the “willingness expressed by several member states to spread external costs of transport infrastructure more equitably”. This leads the Commission to conclude that the “current rules therefore need to be replaced by a modern infrastructure-pricing scheme which encourages advances of this kind while ensuring fair competition between the different modes of transport and more effective pricing. This kind of reform requires equal treatment for operators and between modes of transport”³⁹.

The White Paper outlines a new commitment by the Commission to propose a framework directive in 2002 that would establish the principles for infrastructure charging and a pricing structure for all modes of transport. This section of the paper also makes it clear that this proposal will “leave Member States wide scope in terms of implementation” despite it establishing a common methodology for setting price levels which incorporate external costs as well as specifying the conditions for fair competition between modes.

The paper goes on to note the use to which any additional revenue gained by such changes to transport’s pricing system could be put: new infrastructure projects. The Commission’s promoting the idea of keeping transport taxes within the sector even extends to conceiving of the need for exemptions to this general rule. The paper outlines the need for the proposal to specify exceptions to the Directive that would allow certain infrastructure projects, such as railway tunnels, to be funded beyond the amounts needed to offset external costs.

The next section of this chapter of the White Paper outlines how different pricing and taxation policies between modes and Member States leads to unfair competition. The text of the White Paper, however, does not commit the Commission to proposing any instrument that would harmonise fuel taxation levels. Instead a box text insert – used as an illustrative device throughout the paper – outlines “***what ought to be proposed in the short term, therefore, is harmonised taxation of fuel used for commercial purposes.***”⁴⁰ The text therefore describes in detail the problems associated with having different fuel tax levels across the Community, recognises the need to harmonise these taxation levels, but stops just short of a commitment to proposing legislation to secure such harmonisation.

The promotion of renewable fuels in transport is also highlighted as necessary – though why this is in the chapter on *placing the user at the heart of transport* and in the section on costs is unclear. This part of the paper does, however, place an emphasis on using fiscal incentives including tax exemptions for hydrogen and biofuels to promote renewables in the transport sector.

³⁷ White Paper, page 76

³⁸ White Paper, page 76

³⁹ White Paper, pages 76 & 77

⁴⁰ White Paper, page 79 – emphasis in original

The last part of the section on costs highlights the distortions to competition resulting from exemption to VAT. This leads the Commission to conclude that “air transport could be made liable to VAT”. The discrepancies across the Community for VAT application to company cars are also viewed as an area requiring reform.

Transport with a human face

The section of the chapter placing users at the heart of transport policy that most addresses the concerns of citizens as transport users follows next. Apart from the cost of transport people are of course concerned with its performance and this section details all the areas that daily cause annoyance and disturbance: changing transport modes and the facilities at stations and terminals, the lack of integrated tickets to ease the flow throughout a journey, the problems associated with baggage handling. It is in this section of the paper that the bicycle is recognised as a mode of transport by the admission that across the EU 5% of trips are by bicycle. Whilst this section of the paper places great store in the need to improve passenger intermodality, no Commission activity is proposed to promote this objective.

However, the Commission does pledge to continue to work in this area by proposing to reinforce air passengers’ rights. Strangely, there is no mention of analogous rights of passengers using other modes. As a counter balance to this activity the paper also outlines activities that will focus on passenger obligations, mainly those that counter “air-rage”.

The element that is missing from this potentially important section is the need for transport policy to focus on serving the *access needs* of people rather than their *mobility demands*. Transport policy should ensure access to goods and services and do so in a way that minimises mobility demand. After all for the vast majority of transport it is not the mobility that is desired, but rather the access to goods and services this provides. Moreover providing equitable access for all entails considerations of social justice and human rights that go beyond mobility desires.

The fact is that action to combat discrimination against sectors of society such as the disabled or racial groups is now recognised as an appropriate area for Community action in the Treaty⁴¹. Unfortunately this recognition in the Treaty has not prompted the Commission to envisage the need to propose measures to secure access rights for all as part of a strategy to place users at the heart of transport policy. This is despite the fact that this section of the paper does recognise that account needs to be taken of “the difficulties encountered by people with reduced mobility who use public transport, for whom changing from one mode to another can be a real obstacle”⁴².

Rationalising urban transport

Of all the sections of the paper this one is the one where the actions identified fall the furthest short of the level appropriate to the problems identified. The central role that urban transport problems play in defining the wider problems of the sector is outlined, but the Commission concludes that the appropriate response from it and the Common Transport Policy is limited, by subsidiarity, to promoting good practice. Yet this section recognises that “even if the subsidiarity principle dictates that responsibility for urban transport lies mainly with the national and local authorities, the ills besetting transport in urban areas and spoiling the quality of life can not be ignored.”⁴³

⁴¹ Article 13 of the Treaty of the European Community states: Without prejudice to the other provisions of this Treaty and within the limits of the powers conferred by it upon the Community, the Council, acting unanimously on a proposal from the Commission and after consulting the European Parliament, may take appropriate action to combat discrimination based on sex, racial or ethnic origin, religion or belief, disability, age or sexual orientation.

⁴² White Paper, page 81.

⁴³ White Paper, page 85.

The paper takes 'subsidiarity' to mean that national and local authorities have **exclusive** authority for urban transport rather than merely having the major role. The Commission's failure to accept within the Common Transport Policy any role for itself as an initiator of actions and activities for urban transport – a role so clearly given to it by the Treaty - is a derogation of its duties.

Yet the Commission **does** propose legislative standards relevant to urban transport to which national and local authorities must comply: air quality, for example. Thus even if the transport and energy directorates of the Commission wish to ignore their role of policy initiators for urban transport, they should have at least supported other ongoing Commission legislative activities. The White Paper could therefore have referred to these activities and followed this up with an outline of how facilitation of best practice will aid compliance by local and national communities to European standards originally proposed by the Commission.

Instead a focus is given to the attempts to promote alternative energy in the transport sector, efforts that are general in scope rather than limited to urban transport. It would have been more appropriate therefore to place the fossil fuel dependency of the transport sector in a section of its own alongside an outline of how this dependency is to be broken. Moreover, although the White Paper is for the rest of this decade, the target identified for "substitute fuels" is for them to replace 20% of conventional fuels by 2020⁴⁴. As this target had already been given in the Green Paper on security of energy supply it would have been a useful addition if the Commission gave an indicative *milestone* for this target at its halfway period and at the end of the period for which this White Paper is relevant - 2010.

There are also no objectives given for a modal shift of transport in urban areas to the environmentally friendly and health promoting modes of cycling and walking. Even if the Commission does not wish to accept the role of policy initiator, it could have signalled what it viewed as appropriate targets for actions. This action in member states would have some potential for stimulating activities, as local and regional authorities would have a "European" target to aim for. This section of the White Paper does not even mention the fact that reaching modal shift and safety targets requires urban transport policies.

5. Managing the globalisation of transport

It is somewhat ironic that having excused inaction on urban transport by arguing that relevant policy is made at the local or national level, the next chapter of the White Paper commences by the admission that "much of transport is regulated at [the] international level". The chapter thus starts from the position that the existence of international regulatory bodies and of national regulations give little or no room for a common transport policy, despite Title V of the Treaty!

Nevertheless the start of this chapter does recognise that "because the main objective of international transport rules is to facilitate trade and commerce, they fail to take sufficient account of key environmental concerns, security of [energy] supply requirements or the industrial or social dimension"⁴⁵. The introduction of the chapter then outlines how this has led first the USA (for example by phasing out single hulled oil tankers) and latterly the EU (for example the banning of "hush-kited" aircraft) to promote regional transport accords.

The introduction to this chapter therefore concludes that "with enlargement on the horizon, and the transport policy and trans-European network soon to extend across the continent,

⁴⁴ White Paper, page 86.

⁴⁵ White Paper, page 90

Europe needs to rethink its international role if it is to succeed in developing a sustainable transport system and tackling the problems of congestion and pollution”.

This chapter of the White Paper is split into two parts: the impact of enlargement and the need for the EU to be more assertive on the world stage. The first section on enlargement highlights the lack of infrastructure as the major obstacle to the accession process. The principle difficulty it notes in responding to this challenge is the large financial commitment necessary to complete the projects identified by the TINA process. An approach that will overcome these difficulties is promised in a revision of the TEN guidelines, a revision overdue for some 18 months.

Instead of drawing the conclusion that the TINA process may need re-evaluation in the light of its massive costs, some 1.5% of annual GDP in the accession states for the next 15 years, the paper concludes that private finance from the EIB needs to be facilitated. Given the poor record of large-scale transport projects to provide a return high enough to recoup investment costs (e.g. Euro tunnel or the Öresund road bridge) this route appears to be particularly ill advised. Furthermore, the fact that the EIB has shown scant regard to date for either the environmental or public participation commitments of its member states makes this approach of even greater concern.

The next section of this chapter focuses on the opportunity the well-developed rail sector in accession states offers to “rebalance the transport modes in an enlarged Europe”. So here we have, at last, the method by which maintaining the modal split at 1998 levels in 2010 is to be achieved – the dubious approach of including accession states in the 2010 figures and excluding them in the 1998 figures!

Yet for this approach to work the chapter also highlights the need for the decline of the rail sector in accession states to be stemmed. The target outlined is for accession states to maintain a market share of freight transport at 35% in 2010. The paper states that achieving this will require liberalising reforms of the rail sector in the candidate countries similar to those agreed for the EU Member States. If this were done at a faster pace than agreed for the EU (2008 is the EU completion date) it would allow the rail sector to become competitive “before road transport completely gains the upper hand”⁴⁶ as it too strives to integrate completely into the single market.

Apart from the opportunity to rebalance the modes of transport the White Paper also identifies the opportunities enlargement offers in terms of regulating the maritime sector.

The section on enlargement notes two ways in which the enlargement process will aid the EU in regulating the maritime sector: extension of the Community’s seaboard and the increase in the tonnage of the merchant fleet flagged in the Community’s registers.

The Paper refers to the “Erika” package of measures to improve maritime safety and implies that the enlarged EU coast line will allow greater “coastal state” and “port state” regulation of the maritime sector. It does not make clear how the human resources will be found for this when current EU member states already can not provide the number of skilled port state inspectors required by the Erika package.

To supplement this approach the paper outlines how enlargement may aid in “flag state” regulation of the sector. The amount of tonnage under EU flags has fallen dramatically as the practice of out-flagging to states with lower wage costs and lower standards continues. The fact that a large amount of this tonnage is registered with Malta and Cyprus will allow

⁴⁶ White Paper, page 92

the EU to be more assertive within the IMO for regulation of the industry – providing that a significant tonnage does not flag out from these two states prior to their accession.

The White Paper therefore recognises the need for measures, including fiscal measures, to be taken to promote the re-flagging of ships to EU Member State registers. In addition to this attempt to re-flag, the paper outlines a more stringent regulation of ships that continue to fly flags of convenience within EU waters. One motivation given for this is to enable the EU to combat more effectively organised illegal immigration.

Facilitating this increased control for the maritime sector will be the gradual establishment of a management system for shipping off EU coasts. This system will require much better exchange of information between national authorities than presently and the White Paper proposes this be undertaken by the future European Maritime Safety Agency. This section of the paper therefore outlines an integrated system of coastal shipping control that is similar to that of the USA in rigor, but that stops short of proposing the formation of a common coastguard.

The second section of this chapter outlines how the enlarged Europe must become more assertive on the world stage. Of particular concern is the fact that for the majority of inter-governmental organisations the EU – as a whole - only has observer status. The paper therefore recommends that as without any delay the Community should accede to the inter-governmental organisations that govern transport. This is of particular importance of shipping bodies such as International Maritime Organisation, inland waterway bodies such as the Central Commission for Navigation on the Rhine, and for aviation in the International Civil Aviation Organisation.

The paper then justifies the Galileo programme using a similar consideration, the need to assert independence only this time within field of satellite navigation. Citing the fact that for satellite navigation Europe currently depends on GPS (USA) and GLONAS (Russia) the paper states that “Europe cannot afford to be totally dependent on third countries in such a strategic area”⁴⁷.

6. Conclusions and Annexes

The last chapter is much more concise than the rest of the text, the conclusions taking fewer than two pages. The priorities therefore offer an insight into the Commission’s underlying agenda. It concludes that a number of problems will have to be resolved if the common transport policy is to be adapted to the requirements of sustainable development. These are:

- **Adequate investment in infrastructure**, to eliminate bottlenecks, link peripheral regions with the centre and complete the trans-European network as a preconditions for the rebalancing of modes. This priority for new infrastructure construction is softened by a recognition for the payment for the use of this infrastructure to be based on the internalisation of external costs paid by the user;
- Ensuring the necessary **political determination to tackle congestion** using the sixty measures included in the White Paper;
- Ensuring **local authorities apply a new approach to urban transport** that modernises public services and lowers private car usage as a means to reducing CO₂ emissions in line with Kyoto commitments;
- **Satisfying the needs of the users** who for the increasingly high costs of mobility are entitled to expect a quality service and full respect for their rights.

⁴⁷ White Paper, page 99

The paper also concludes that there is a need for measures outside the traditional remit of transport policy to ensure an integrated approach to sustainable development that includes:

- Economic policy especially where changes in the production process influence demand for transport;
- Land use and town planning to stop unnecessary increase in mobility needs;
- Social and education policy;
- Urban transport policy, especially in large cities;
- Budgetary and fiscal policies to link internalisation of external costs with the completion of the trans-European network;
- Competition policy to ensure that the opening up of public services is not hampered by companies dominating the market;
- Research policies

In the Annexes the extent to which the projections are unreliable is quickly apparent. In the case that is supposed to be business as usual the total emissions of CO₂ from road transport (passenger and freight transport) amounts to some 903 million tonnes per year by 2010. Even allowing for the higher economic growth rate of 3% instead of 2% per year, this figure is dramatically higher than the figure calculated for the Auto Oil II programme of 734,782,000 tonnes – a difference of more than 168 thousand tonnes or 23% more than the Auto Oil projections. The explanations for such a large disparity could be a failure of those modelling the projections to allow for compliance by manufacturers of the voluntary agreements, or the use of simplistic transport emissions projections such as those in PRIMES rather than the more sophisticated basis of the SENCO Auto Oil base case.

Either way the fact that there is such a wide disparity illustrates the overall weakness of the White Paper's projections. This is reinforced when it is recalled that the Auto Oil results came from a process that was open, transparent and whose outputs were verified by all stakeholders whereas the forecasts of the White Paper were derived in a secret manner without external validation. Moreover it is not just the CO₂ projections for the "anticipated trend" that have not been externally or independently verified. All of the projections in the annex that feature throughout the White Paper suffer from the same weakness.

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About this paper

Environmental, social and economic considerations form the three pillars of sustainable development. In order to achieve sustainable development, transport has to play a positive role in all three elements.

T&E believes that the Commission White Paper on the Future of the Common Transport Policy falls far short of identifying the right goals and means which would allow the sector to contribute to these wider community objectives. Yet transport policy can positively contribute to these community objectives. Managing transport demand and breaking the link between transport growth and economic growth can serve social and environmental goals, and serve Europe's economy more effectively. Demand management and "decoupling" should therefore be the principal objective of EU transport policy.

In this report, we undertake a critical assessment of the White Paper by placing transport policy into the wider context of the European treaty and of other major EU commitments on sustainable development. We propose a series of recommendations with the protection of the environment and citizens' rights, and the economic efficiency of the sector, as underlying principles. These recommendations follow the White Paper structure.

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.

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