

IRF Contribution to the Mid-Term Review of the White Paper on European Transport Policy

Introduction

The IRF welcomes the mid-term review of the 2001 White Paper on Transport Policy and the opportunity to participate in the review process. This review must be taken as an opportunity to assess policies and measures implemented since 2001 against the current reality in the transport sector. Successful policies must be reinforced; however policies which have proved to be ineffective must be rejected or revised. Moreover, the Commission should be clear about the priority of the Lisbon agenda objectives and eliminate CTP objectives conflicting with it (penalizing performing transport modes).

The IRF hopes that the Commission will use the consultation process to take on board the legitimate views and concerns of stakeholders in the transport sector. The review process must be transparent with changes in policy or the retention of policies which have not yet proved effective fully justified. In this sense the IRF welcomes the efforts made so far by Commissioner Jacques Barrot and his predecessor Loyoly de Palacio to revise non-sensical policies like

- decoupling transport from economic growth (Mr Barrot clearly stated the failure of this policy in summer 2005)
- the CTP approach to internalizing external cost (abandoned by Loyola de Palacio since 2003).

The IRF encourages the Commission to continue this brave and self-critical approach. However, the IRF regrets the Commission's chosen method of consultation in the form of a questionnaire which restricts the debate and addresses trends and observations of the current transport situation without addressing the cause of these trends. Therefore, in contribution to the public consultation, the IRF has chosen to reflect on several areas and policies of the White Paper of particular significance to the road sector.

General points

The IRF would like to highlight the following points which it feels are essential as the basis for an efficient transport system which meets the mobility needs of the enlarged European Union.

- An efficient and market-orientated transport system is key to achieving the goals of growth and competitiveness laid out in the Lisbon Agenda and roads play an essential role in such a transport system. CTP objectives should be in accord with the Lisbon objectives and not in conflict with the growth and competitiveness strategy (eg penalizing performing transport modes based on ideological arguments).
- European transport policy should seek to create fair and equal competition between modes and must not be used to favour one mode over others. An overall transport policy approach applying the same principles to all transport modes is needed. Dirigiste central planning must be abandoned in favor of a market driven approach.

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- Road transport is the main provider of mobility, for both passengers and goods, and thus is a pillar of economic stability and social cohesion throughout the EU. Efforts to increase the role of alternative modes should be based on improving their performance, efficiency and ability to respond to the needs of users, not through cross-subsidies from the road.
- The Commission committed itself to placing users at the heart of transport policy and in doing so must respect users' choice of transport mode.

Although several of these points were raised in the 2001 white paper, the subsequent policies adopted in some cases failed to reflect these basic principles.

Specific points

Decoupling

Although the policy of decoupling is neglected in the consultation questionnaire, the IRF feels it is important to emphasise that this policy has not proved successful (as demonstrated by the Commission's own statistics). Indeed attempts to restrict transport growth will jeopardize economic growth as well as social cohesion and impede the rights of Europe's citizens and industry to mobility. It is vital to recognize the correlation between transport and economic growth.

However, the objective of decoupling transport growth from the negative effects of mobility and transport use, is clearly a desirable one. The IRF supports such an objective and calls on the Commission to recognize the significant progress already achieved by the road and automobile sectors in areas such as the reduction of air pollution and road accidents. Such a decoupling must be encouraged through proactive measures and positive incentives, not through punitive measures such as the internalisation of external costs which are unreliable and offer no solution to the problem.

IRF welcomes acknowledgments by the Commission that decoupling is not an effective policy objective.

IRF calls for proactive results orientated measures to tackle the externalities of transport use and not to use externalities as a pretext for imposing punitive charges on road users.

Modal shift

The Commission's own figures demonstrate that the policy of modal shift has failed. It must be highlighted that the prevalence of road transport is largely due to its ability to meet specific mobility needs and to provide a reliable and flexible service to users. While alternative modes fail to meet the specific needs of users and also lack the capacity to absorb a significant share of road transport, continuing to pursue a modal shift policy is undesirable and could prove detrimental to the efficient functioning of the transport system.

The most striking pitfall of the Modal shift policy is that it has a preference for modes and does not recognize that for transport demand the trip from A to B is primary and that the choice of a mode is secondary. Thus, the CTP as laid down in the 2001 White Paper confuses policy objectives (which should be efficient transport) and the means to achieve them (which are transport solutions). A transport mode cannot be a prime objective in itself.

Despite the Commission's objective of placing users at the heart of transport policy, the white paper failed to take into account the choice of transport users to select the most appropriate transport mode for their mobility needs.

The IRF supports measures to improve the performance and efficiency of all transport modes, through positive measures and incentives for each mode, not through punitive measures which penalize performing modes.

IRF calls for the Commission to respect the rights and choice of users' to select the most appropriate transport mode for their mobility needs.

Infrastructure charging

The WP advocated the user pays principle implemented through direct user charging. The IRF supports such a policy assuming that certain basic criteria are met:

- infrastructure charging should be seen as a price paid in return for a service (the use of a high quality road network);
- infrastructure charging is a means for funding the construction and maintenance of necessary road networks and therefore resulting revenue must be allocated to this effect;
- charges should reflect the cost of constructing and maintaining the infrastructure, including the cost of infrastructure measure to improve the safety and performance of the road network (safety equipment, noise barriers, ITS etc.), but must not be used as a means of imposing additional punitive measures on road users. Therefore, the policy of "internalizing of external costs" as laid down in the 2001 White Paper is erratic.
- Only infrastructure related measures that are efficient for mitigating negative external effects should be included in a user charge (road safety equipment, noise barriers). Other internalization mechanisms are already in place (internalization of pollution through fuel and vehicle tax; road safety through car insurance, etc.). Moreover, positive indirect benefits have also to be taken into account (and are considerable in the road sector).
- in light of the high level of taxes and charges already paid by road users (far in excess of investment in roads), any new charges must be offset by a reduction in existing ones.

The IRF calls on the Commission to respect these criteria when implementing road user charging systems.

Investment in infrastructure

Investment in road infrastructure was not prioritized in the 2001 white paper where priority was given to investment in rail infrastructure. As road is the predominant transport mode, investment must be made to relieve bottlenecks on Europe's roads in order to provide a high quality efficient network.

In light of enlargement and the infrastructure gap between old and new member states the need for investment in road infrastructure is even more pressing. As traffic demand in the new member states increases infrastructure development must increase to meet this demand and ensure the smooth functioning of the European market and social cohesion between all regions of the EU.

IRF requests that all infrastructure projects are assessed on the basis of rigorous cost-benefit analysis, where traffic demand and economic viability are key considerations.

IRF calls on the commission to further support the use of PPPs in developing road infrastructure.

Road Safety

The attention given to improving road safety in the White paper has proved to have some positive results, however further measures still must be implemented to meet the target of halving road deaths by 2010.

The IRF calls for the Commission to place further emphasis on road infrastructure measures which can play a major role in reducing the frequency and severity of road accidents. In particular, the IRF requests the publication of the road infrastructure safety directive.

Sustainable Development

The 2001 white paper concentrated on unrealistic decoupling and modal shift policies as means of tackling the environmental impact of transport. Such policies have proved ineffective and failed to offer appropriate solutions.

The white paper failed to acknowledge that the majority of pollution occurs in urban areas where congestion is a problem. Although the white paper sought to tackle congestion on Europe's transport network, it failed to propose specific measures relevant to urban areas where the majority of congestion occurs. The Commission must not neglect the use of road based alternatives for relieving congestion in urban areas, including the use of public transport and powered two-wheelers and car sharing schemes. ITS can also provide solutions for monitoring and reducing congestion in urban areas.

Only efficient measures increasing environmental performance are acceptable or "sustainable development" risks to degenerate to a buzz word if use in an ideological way or as a pretext for squeezing more charges out of road user pockets.

An integral part of sustainability is the financial component. Unlike some alternative modes, road transport continues to be financially sustainable, contributing significant amounts to public finances. Other modes, notably rail, continue to rely heavily on subsidies and are not financially sustainable.

IRF calls for the Commission to recognize the efforts of the road and automobile sectors to improve safety and environmental performance and encourage these efforts.

IRF insists that efforts to tackle the negative externalities of transport must be proactive and should focus on pragmatic, results based measures, such as:

- ***fiscal incentives targeting engines with reduced emissions;***
- ***investment in measures such as safety equipment, sound barriers and ITS;***
- ***upgrading bottlenecks to relieve congestion.***