



Mobility and transport in the 21th century

Stakes, challenges and opportunities

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1 – Analysing the current policy

The current policy is guided more by the strategic concerns of the Commission than by any goals specific to the transport sector.

- The underlying concerns, which have evolved over time

- Acquire new institutional *competencies*
- Consolidate the Commission's position and its *use of competition law* in particular for this purpose – as a result of the Member States' initial refusal to give the EU specific power to intervene in transport policy
- Develop trade to bring about further *integration* between Member States
- *Harmonise* European transport systems
- *Lower costs* by increasing competition
- *Liberalise* markets (aviation, ports, rail freight, etc.),
- Strengthen security and safety measures after *September 11, 2001* and *Maritime accidents* (Erika & Prestige) .

- What the Commission has thus achieved

- Its competency in European transport policy is no longer contested.
- It has succeeded in opposing national monopolies.

2 – The problems with an incoherent EU transport policy

- With the result that

- The EU transport policy is disconnected from policies at territorial levels
- Industrial lobbies (car constructors, infrastructure companies) have had their positions strengthened

- Unintended negative effects

- A considerable *increase in traffic*
- New and costly *need for infrastructure*
- Stiffening of competition between rival modes of transport, to the *detriment of intermodal* connections
- Policies *favouring road transport* though the rail network is said to be the priority
- Strong competition for road freight resulting in *undesirable social consequences*
 - New policies introduced by the Commission, aimed at introducing *minimum social standards*

- Unacceptable results in the present context:

- Economic growth is yet to be decoupled from *growth in traffic* volumes

3 – Emerging issues in the present-day context

New developments which have shaken up the playing field in the past decade

- **The need to reduce greenhouse gas emissions**
 - With **2020 goals** (2nd and subsequent engagement periods of the Kyoto Protocol) which will be much **harder to reach** than those for 2012 (1st engagement period).
- **A return to high oil prices**
 - With a very high level of ***instability*** in oil prices which will not necessarily favour investments in energy efficiency.
- **Advances in information and communication technologies**
 - With positive impacts on the prospects for ***intermodal options***.
- **National and local governments strongly impacted by the financial and economic crisis**
 - With a strong ***reduction*** in their ***financial capabilities***.

4 – Resetting priorities to reflect the public interest (1)

Transport shifts from an adjusting factor to a sector under heavy strain.

- Objectives reflecting absolute targets
 - Set climate *goals* for 2020 and 2050 for the *transport sector*;
 - Set *quantified goals* relating to reduced dependency on foreign *oil*.
 - As agreed in the meeting of Heads of State and Government in February 2010 .
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- Objectives relating to mobility and trade needs
 - *Access* to essential services
 - *Economic competitiveness*

4 – Resetting priorities to reflect the public interest (2)

- **Setting performance goals to reconcile public interest and competition**
 - Aiming for greater vehicle *fuel economy*
 - *Designing cars and engines* to reflect speed limits and their actual uses
 - *Optimising mobility* through better territorial planning
 - Contributing to the economy's productivity by *reducing costs*
 - Developing *public transport*
 - Enhancing complementarity between transport modes (*intermodal options*)
 - Improving *individual behaviour*.
- **Setting institutional goals**
 - Coordinating transport policy between all *territorial levels*
 - *Integrating national operators* in an open market
 - Inscribe performance goals in *fiscal and fee-setting principles*
 - Building a new *regulatory framework* applicable to different subsidiary levels

The European transport policies for the 21th century should specify :

- *Overarching public interest principles*
- *The conditions of economic efficiency on which competition rules are based*

5 – Policy components of a mobility management strategy

Managing mobility requires an active policy approach

- Better organisation of areas of economic activity
 - The *services sector* and residential areas need to be more closely integrated to give improved access to public services and shopping areas.
- Re-orientate urban policy to favour density
- Greater priority to shorter production, supply and logistical chains
- Rationalisation of tourism
 - Encourage longer trips and **local tourism**
- Intensive use of new information and communication technologies

6 – The main technological options

- **Optimising the design and use of vehicles**

- Generalising *speed limits*
- *Redimensioning vehicles* to reflect their real uses
- Shifting to more *modest models*
 - In time, the sale of vehicles with a top speed above the speed limit on the European market *should be banned*.
- Shifting to *electric cars* for trips over *short distances*
- *Liquid fuels* (with biofuels and hydrogen for non-rail transports over *long distances*)

- **Developing intermodal options**

- Developing *active modes* of transport
- Developing *urban public transport* systems
 - With access to transportation at a maximum distance of 500m
- Developing *interconnections* between transport modes
- Exploiting the possibilities offered by *new communication technologies*
- Encouraging the use of *alternatives to road transport* (railway, waterways, shipping)
- Prioritise *high-speed rail* over aviation

7 – The instruments of a new transport policy

- A European regulator to ensure the quality of goals and contracts
- Better integration of national and European politics through
 - Shared steering of *prospective works*
 - *Contractual reports*.
- Formation of a “Covenant of Mayors” to better integrate local governments into European-level policies
 - *Local democratic debates* on transport objectives
 - Through *urban transport plans*.
- Setting minimum public service obligations to ensure service provision in the least profitable areas
 - Maintain high *density of rail network* in rural areas
 - Structure *transport modes in areas of low transport density* as well (complementarity of trains, cars, taxis)
 - Ensure the *balancing out of tariffs*
 - Ensure *quality service in peri-urban areas* (bus),
 - A tricky issue: abandoning national monopolies to completely open the *market of passenger rail services*. Only a solution under the condition that public services are spread over all operators.

7– The instruments of a new transport policy (2)

- **A progressive shift towards more modest car models**
 - Reinforcing *research programmes*
 - Setting *uniform speed limits*
 - Implementing a *bonus-malus incentive system* in the European market
 - *Forbidding*, in time, the sale of *vehicles with top speeds above enforced speed limits* in the EU.
 - With certain obvious *exceptions* to be included.
- **“Unbundling”: separating infrastructure users and managers**
 - Setting clear *goals for infrastructure managers*
 - Setting a *competitive environment between users* (transport operators).
- **A special status for important European infrastructure**
(rail and inland waterways in particular)
 - Either by creating a *new public service status* in European law, or
 - By creating a *contractual framework* based on terms of reference defined in an EU directive
- **A principle for the regular revision of contracts**

8 – The comportemental stake

The principal axes of progress

- Do not involve improving the fuel **efficiency** of car engines
- But rather the **organisation** of the transport sector.
- They are essentially psychological, sociological and cultural in nature
 - The diffusion and adoption of new communication technologies. (As used in “**Intelligent Transport System**”)
 - The improvement of **behaviour** as a result of digital/electronic assistance.
 - The adoption of **car-pooling**.
 - The use of mobile telephones and GPS to gain **access to transport at any given time**.
- Avoiding a rebound effect
 - An increase in traffic volumes provoked by lower costs from:
 - Greater vehicle fuel efficiency
 - Greater choice in transport options

The need for a cultural approach to improve individual behaviour (education, communication, long-term forecasts ...)

9 – Financial needs for a new approach to transport

Despite its fragile financial situation, the transport sector is rife with economic and financial inefficiencies, which should be reduced to free up resources to implement new policies.

- Go ahead with priority European infrastructure projects
 - Extend *high speed train networks* to provide a reliable alternative to short distance air travel
 - Put into place a railway network for *high-speed freight*
 - *Link-up inland waterway* projects.
- Develop collective urban transport infrastructure and provide high quality service
- Assist the automobile industry in shifting its production capacities to shift towards more modest car models in the market
 - Support research efforts to develop *low fuel consumption vehicles*.

10 – The framework for fiscal and tariff policies (1)

- **The limits of the internalisation of social and environmental costs**
 - A necessary measure, linked to a global cost approach
 - But to be efficient, the additional costs have to be calculated taking into account the anticipated evolutions in the future
 - Change of energy prices, carbon price...
 - A relatively high social cost
 - That cost would be difficult to meet for rural and low-income populations, countries on the periphery of the EU ...
 - This internalisation should be gradual and strategically implemented
- **Generalise the bonus-malus system for the purchase of vehicles**
 - In order to favour fuel efficient vehicles
- **Harmonising fiscal and tariff policies**
 - For the different modes of transport
 - Merging national ticket systems
 - Reconsidering the question of adjusting tariffs within the Union

10 – The framework for fiscal and tariff policies (2)

- **Progressively raise fuel taxes with public support**
 - Introducing **policies with countercyclical effects**
 - To take into account ***social difficulties*** resulting from high prices.
 - To take into account ***differences in response times*** between policies
- **Abolish exemptions and other forms of preferential treatment**
- **Encourage multimodality**
- **The limits of carbon market mechanisms (e.g. EU ETS)**
 - An unfavorable context linked to the international negotiation
- **Launch an investment programme over the next 20 years**
 - ***High-speed rail*** network for ***passenger*** transport
 - High-speed rail network for ***freight*** transport
 - ***Interconnections*** between the river systems of the ***largest basins***
 - Development of ***urban public transport systems***