

White Paper on Transport: where do we stand?

**EESC Public Hearing
6 March, 2015**

1. The European Passengers' Federation (EPF), an international non-profit association established under Belgian law, is pleased to respond to the Economic and Social Committee's invitation to contribute views about the mid-term review of the European Commission's 2011 White Paper on Transport. EPF is a voluntary association of 34 passengers' organisations drawn from 20 European states. It works at European level to promote sustainable transport. It is committed to continuing improvements in the provision of public (collective) transport, including the advancement of passengers' rights.

The success stories of EU's transport policy

2. EPF welcomed the thrust of the European Commission's 2011 Transport White Paper, *Roadmap to a Single European Transport Area – Towards a competitive and resource-efficient transport system*¹. It set out a strategic vision which, given the political will, could result in greater personal mobility, more sustainable growth, less congestion, fewer environmentally threatening emissions and a European infrastructure that would enhance the continent's global competitiveness. The White Paper held out the promise of building on some of the Union's most substantial recent policy achievements in the transport sector:
 - The success of Open Skies, which has led to greatly reduced fares and a much wider range of destinations for air travellers.
 - Market opening, which should facilitate more attractive and less costly public transport and is often associated with additional services, increased passenger volumes, productivity gains and, more recently, improved safety.
 - The successful launch of the decentralised transport Agencies with their safety responsibilities and, in the case of ERA, responsibility for developing economically viable common technical standards with a view to ensuring an open and more competitive equipment market.
 - Initiatives, such as the Connecting Europe Facility, which should help lever the public and private infrastructure investment necessary to overcome the capacity problems which inhibit the efficient functioning of Europe's transport networks.
 - A commitment to developing of a common approach to passenger rights and their harmonised interpretation and enforcement throughout

¹ (COM (2011) 144 final of 28 March 2011)

the EU, leading to a level playing field for operators and better protection for passengers.

3. The authors of the White Paper identified ten realistic, but challenging, goals. These reflected the enormity of the tasks ahead if Europe is to overcome the challenges of climate change, congestion and the need for energy security. As public transport users' representatives we acknowledge the magnitude of some of the targets set by the White Paper – achieving a 60% reduction in noxious emissions and a comparable reduction in oil dependency, phasing out all 'conventionally-fuelled' vehicles from our urban areas by 2050, shifting more than half of road's share of freight to more sustainable transport modes for journeys of over 300 km and ensuring that a majority of medium-distance passenger journeys are by rail by 2050. These targets imply a multi-fold increase in rail's present modal share. They are ambitious – but achievable given the political will.
4. No less significantly, the White Paper acknowledged the vital role that users must have in the overhaul of Europe's transport system – alongside government authorities and transport operators. EPF always asks '*What's in it for end-users?*'. The strategic vision of the White Paper holds promise for passengers and freight-forwarders alike. The outstanding challenge that needs to be addressed by the forthcoming mid-term review is that of execution.
5. Three things above all will determine the success of the overhaul of Europe's transport system. First, policy-makers must seek to understand the needs and expectations of end-users. Secondly, they must recognise that we are not living in a command economy: substantial modal shift can't be achieved by *diktat*. It will only be achieved if public transport services become more competitive and attractive than private car travel and road freight; public support for providing the funds necessary to underpin a quantum improvement in quality will depend on showing that service improvements are being delivered. That way, policy-makers can engineer the virtuous circle that is essential to modal shift: improved quality will result in increased user satisfaction which in turn will generate the necessary political support for investment in the continuing improvements required to maintain modal shift. Thirdly, successful delivery demands consistent commitment to the strategic vision of the White Paper.

Areas which failed (so far) to achieve the desired results

6. In contrast to the impact on the aviation sector of Open Skies land transport has proved increasingly costly for users and tax-payers. Transport costs form a significant element of personal spending. Europeans spend about as much on transport as they do on food and non-alcoholic drinks – 13% of household income: that amounts to around 1 € trillion!² Expenditure on tickets accounts for 20% of this spend. Operators and public authorities have been slow to find ways to reduce this burden: a number of key providers have resisted attempts to introduce greater transparency and competition into the

² http://ec.europa.eu/transport/_static/pdf/connect-to-compete-people-v2_en.pdf. If anything, this understates transport's share of overall spending. The figure does not appear to capture the external costs of transport – environmental costs, health costs etc.

provision of collective transport services. This is reflected in the difficulties encountered in implementing the principles underlying the First Railway Package³, and by the subsequent attempts to reassert those principles through the more robust *acquis* of the Recast of the First Railway Package⁴ and the proposed Fourth Railway Package⁵. The history of resistance to *acquis* designed to open the market for the provision of public passenger transport services by rail and by road is further evidence⁶ of reluctance to endorse change.

7. The 'first mile' or 'last mile' elements of any journey, whether for freight or passengers, often accounts for a disproportionate amount of any end-to-end journey time. Despite substantial Commission analysis to address the problem, there has been little success in securing effective solutions. In the public passenger transport sector this seems in part to stem from frequently defensive 'silo-thinking', reinforced by the tradition whereby *acquis* tends to distinguish between different types of service on operational grounds rather than on the basis of the market demand being served⁷. Thus, in the rail sector, distinctions are made between 'long-distance', 'regional' and 'local' or 'metro' services – essentially operational definitions – at the expense of market-led categorisations, e.g. business, leisure, commuting, where a passenger frequently makes use of a number of operators or of different modes in the course of a single end-to-end journey.
8. Despite the vigorous interest of the former Transport Commissioner, Vice-President Kallas, relatively little progress has been made to date in promoting integrated traveller information and ticketing between modes. There is no shortage of potential technical solutions, just of the political will to implement them. The White Paper acknowledged that better modal choices (and therefore greater efficiency) would result from greater integration of the modal networks: it foresaw that airports, ports, railway, metro and bus stations should increasingly be linked and transformed into multimodal connection platforms for passengers. Online information and electronic booking and payment systems integrating all means of transport should facilitate multimodal travel. The ERA has worked hard to deliver on its mandate to provide for inter-modal connectivity in developing the Passenger Applications' Telematics Technical Standard for Interoperability⁸ but the inter-modal interfaces have not been realised to date and the future of seamless travel in this respect remains an 'open point'.

³ Directive 91/440/EEC of 29 July 1991 on the development of the Community's railways

⁴ Directive 2012/34/EU of the European Parliament and of the Council of 21 November 2012 establishing a single European railway area

⁵ The Fourth Railway Package – Completing the single European railway area to foster European competitiveness and growth

⁶ e.g. Regulation (EC) No 1370/2007 of the European Parliament and of the Council of 23 October 2007 on public passenger transport services by rail and by road and repealing Council Regulations (EEC) Nos 1191/69 and 1107/70, which is also addressed by the proposed Fourth Railway Package.

⁷ Brussels-based representative bodies representing particular groups of operator or public authority interest can be particularly autarkic in this respect.

⁸ Commission Regulation (EU) No 454/2011 of 5 May 2011 on the technical specification for interoperability relating to the subsystem 'telematics applications for passenger services' of the trans-European rail system.

9. Provision for the growth of the sustainable transport sector does not appear to match the stated goals of the White Paper. Massive modal shift was anticipated: the modal share of passenger kilometres and freight-tonne kilometres accounted for by rail is currently fewer than 8%⁹ and 19%¹⁰ respectively. The relative figures for road are just over 83% (passenger kilometres in cars) and 74% for freight-tonnage. As noted in paragraph 3 above, the White Paper set the goal of a greater part of journeys over 300 kms being by sustainable modes by 2050: this equates to a multi-fold increase in share and a very much greater increase in absolute terms when allowance is made for the projected growth in the absolute number of journeys likely to be made. EPF drew attention to this when the White Paper was launched – including at an EESC workshop but there is scant evidence that the enormity of this challenge has been taken on either by the railway sector or by government authorities or, indeed by the European institutions¹¹.

A summum bonum view of White Paper actions that need prioritising.

10. EPF has given considered thought to two categories of action: those areas where new information or new policy concerns have surfaced and which have potentially serious implications for the strategic vision of transport and those for which the White Paper made provision but which may have not subsequently received the attention that they merit.
11. A prime concern relates to what is beginning to emerge about the **wider safety and health impacts of transport**. Successive Commissioners have rightly championed the need to address road safety issues more effectively with slightly more than 26k deaths caused by road accidents in the EU in 2013. The White Paper identified a cluster of safety initiatives, including a 'zero-vision' on road safety, but these did not attempt to tackle the wider safety and health effects of transport, such as road transport in particular and internal combustion more generally. However, the number of deaths and injuries sustained in road accidents needs to be set against the even greater enormity of the number of lives lost through the health impacts of road transport. In May 2014 the OECD published a study¹² which concluded that the cost of the health impact of air pollution (including deaths and illness) in the 34 OECD countries was about \$1.7trillion in 2010 – about \$1trillion of which was attributable to road transport. In the 21 countries of the EU monitored for the OECD study outdoor air pollution cost an estimated 212k deaths annually: the number of fatalities caused by outdoor air pollution was more than eight times greater than that caused by road accidents. These figures make no allowance for the far greater number of people adversely affected but not actually killed.

⁹ http://appsso.eurostat.ec.europa.eu/nui/show.do?dataset=tran_hv_psmod&lang=en

¹⁰ http://ec.europa.eu/eurostat/statistics-explained/index.php/Freight_transport_statistics_-_modal_split

¹¹ Article 2 of the Council regulation Council Regulation (EU) No 642/2014 of 16 June 2014 establishing the Shift2Rail Joint Undertaking sets as an objective an increase in the capacity of the railway transport system at just 100% - admittedly by the end of the present Joint Undertaking in December 2024.

¹² <http://www.oecd.org/environment/the-cost-of-air-pollution-9789264210448-en.htm>

12. EU data indicates that the estimated **cost of road congestion** is currently around 110 bln €¹³, equivalent to 1% of GDP. The 2011 White Paper expected that by 2050 congestion costs would have increased by 50% but it failed to present any specific initiatives for dealing with this burden. There needs to be a well-informed debate on road congestion and the greater use of public transport as a means by which it might be ameliorated. UITP has pointed out that buses use nearly 20 times less space than private cars to transport the same number of people¹⁴. To carry 50,000 people per hour per direction it is necessary to have:

- 175 m wide road if used only by cars, or
- 35 m wide road when used only by buses.

If everybody travelled to work by car, the total space needed for parking cars would be as great as the space needed for business activities.

13. There appears to be increasing recognition that we are moving relentlessly to **a society based on urban agglomerations**¹⁵. The White Paper referred to the potential of land use planning in the context of demand management. It paid insufficient attention to the potential role and benefits of public transport provision in citizen-friendly spatial planning, of growing importance as Europe becomes increasingly urbanised with greater pressure on scarce land-space, and in facilitating economic growth.

14. **Cross-border land travel by public transport systems** within the Union is one of those areas for which the White Paper attempted to make some provision, but on which there has been inadequate progress, in part due to the **performance of national economic regulators**. This is of increasing concern to EPF as it notes the continuing reduction of cross-border rail services, most recently exemplified by the reductions in DB's useful and attractive European network of City Night Line sleeper services. International services face a number of obstacles, not least that the mainly nationally-based incumbent operators seem unwilling to rise to the market opportunities in providing intra-EU services successfully identified by the air carriers. This partly reflects regulatory short-comings – as is exemplified by the troubled relations between the Italian regulator and non-Italian railway undertakings seeking to enter the Italian market. The map of Europe is littered by projects that are victims of the failures of national regulators to agree a framework for the reliable development of cross-border services. There needs to be provision for independent action by a regulator with a genuinely European perspective, whether by a decentralised Agency such as the ERA or, if it can be achieved operationally and without discrimination, through meaningful cooperation between the existing national economic regulators.

15. Regulation alone may not be sufficient: operators acknowledge that the development of cross-border services is sometimes obstructed by the way in

¹³ Joint Research Centre report, "measuring road congestion", 2012

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http://www.rio2014.uitp.org/sites/default/files/Press%20kit_UITP%20International%20Bus%20Conference.pdf

¹⁵ See, for example,

http://ec.europa.eu/regional_policy/sources/consultation/urb_agenda/pdf/comm_act_urb_agenda_en.pdf

which the various track access arrangements in each member state are planned and managed. **National control of multi-annual track access planning cycles** must not be allowed to obstruct the development and nurturing of cross-border flows, especially if it is in the hands of an economically-dominant national infrastructure manager. Rail Net Europe, the organisation that links infrastructure managers and capacity allocation bodies across Europe, needs lacks the tools to realise its ambition of enabling fast and easy access to European rail and of improving the quality of international traffic flows.

16. Border procedures can still make travel frustrating within the EU, notably where it involves journeys to, through or from non-Schengen area Member States. On the reasonable assumption that **security and border control** concerns are unlikely to disappear there is a strong case for giving additional attention to ways of making land security arrangements more effective and less intrusive, both at national frontiers as well as at vulnerable locations like major transport hubs.
17. We have already touched on the barriers to seamless travel in paragraph 8, above. There may be a need for legislation to ensure provision of **door-to-door journey information and ticketing** that is inter-available between operators throughout the EU.
18. We have noted the early success there has been with the launch of the TEN-T **corridors** and with some of the rail freight corridors where, driven by legislative obligation, Member States and their infrastructure managers have shown that it is possible to make progress in ensuring effective cross-border collaboration in infrastructure provision. But success is still not guaranteed. There may be a case for awarding management concessions to purpose-built international ventures for each corridor on a transparent, competitive basis. It would create opportunities to lever new funding into providing an international network that is more competitive and fit for purpose. It would make good sense for the voice of end users to have an assured place in such an arrangement thereby ensuring that the concession was more likely to be operated in a way that is fit for purpose.
19. The White Paper acknowledged the importance of **improving service quality for persons of reduced mobility** (PRMs) although it failed to address the question of how this can be financed. In EPF's experience, what is good for PRMs is good for passengers generally. It has to be accepted that a fully-accessible European transport system could take years to deliver, even if unlimited funds were made available. We would urge that the Commission should be encouraged to work with authorities, operators, manufacturers and representatives of the end users, including those representing disability groups, to identify and establish a legislatively-backed framework implementation timetable. With clear priorities and timelines recognised by all, it should be easier to plan and deliver an accessibility-friendly European transport system.
20. In EPF's experience, **user satisfaction** provides the best measure of policy success and public good in the transport sector. We have campaigned for, and subsequently given strong support to, the European Commission's

increasing use of *Eurobarometer* satisfaction surveys¹⁶. These are based on polls of representative samples of transport users in every Member State. There should be wide acknowledgement of the ground-breaking value of these surveys and their results should be reported regularly to the European Parliament, the Council and the EESC.

21. **In conclusion, we urge the EESC to advocate the principle of testing all transport proposals for their benefit to the end user, whether passengers, freight forwarders or the wider community for whom a modern, attractive and affordable transport system is likely to be a key to economic growth and social cohesion.**

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¹⁶ See, for example, http://ec.europa.eu/public_opinion/archives/ebs/ebs_422a_en.pdf