



Transport Policy and its Assessment at the European Commission

43rd European Transport Conference

Frankfurt – 29 September 2015



Outline

1. *Overall Commission Priorities*
2. *Framework conditions*
3. *The White Paper strategy*
4. *The Energy Union*
5. *Policy Making and the use of Modelling*



The Commission priorities

- 1) A new boost for **jobs, growth and investment**
- 2) A connected **digital** Single Market
- 3) A resilient **energy union** with a forward looking **climate change** policy
- 4) A deeper and **fairer internal market** with a strengthened industrial base
- 9) A stronger **global actor**



EU economy is dependent on transport

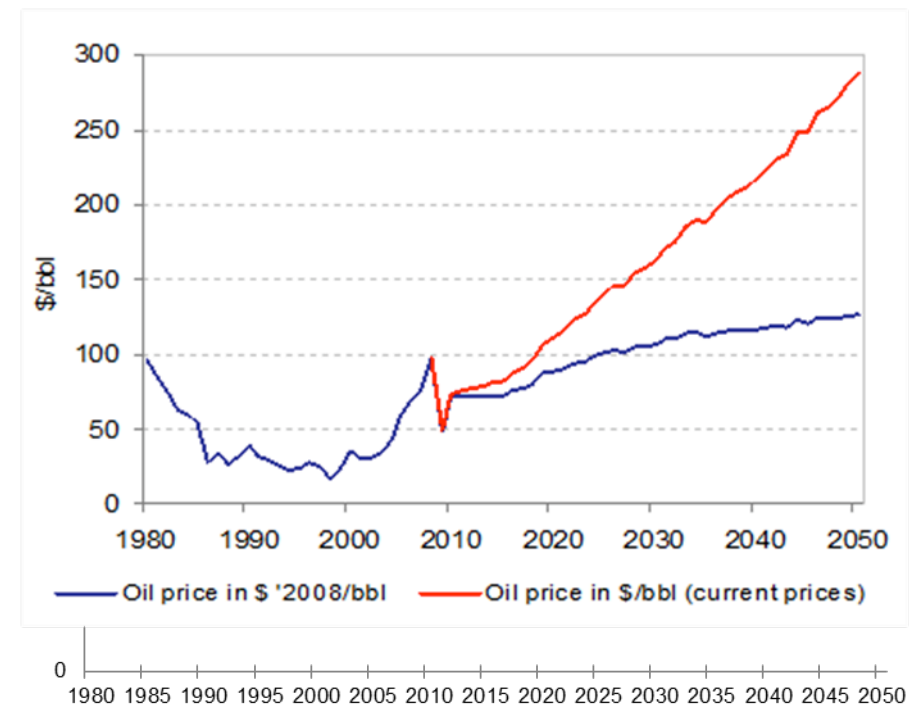
- Globalisation & increased competition
- Transport costs
- Transport is an economic enabler and provides "livelihood" (jobs and income)
- Social aspects (working conditions – social 'dumping' - aging population)
- Potential for innovation

Oil dependency increases costs...

- **EU transport depends on oil for about 96%**
- **Global oil demand is projected to grow from 84 million of barrels per day in 2009 to 100 in 2035.**

It all comes from the transport sector in emerging economies, which will double its needs

- **Increasing demand will renew its pressure on oil prices once the crisis is over despite resurgence of production (shale oil)**

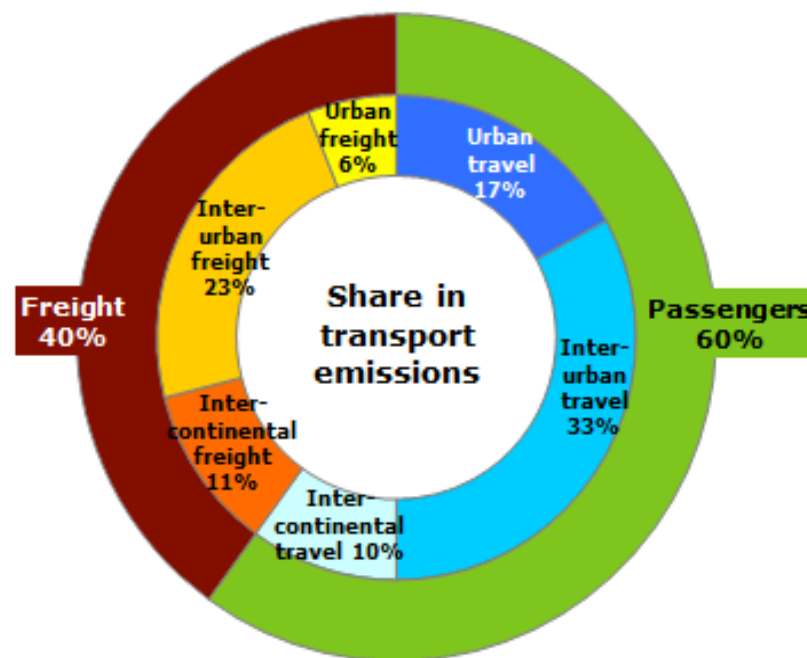


Source: Prometheus, NTUA (E3MLab)

... and leads to higher GHG emissions

- Even if price of oil does not increase, the reduction of emissions requires a shift to alternative fuels

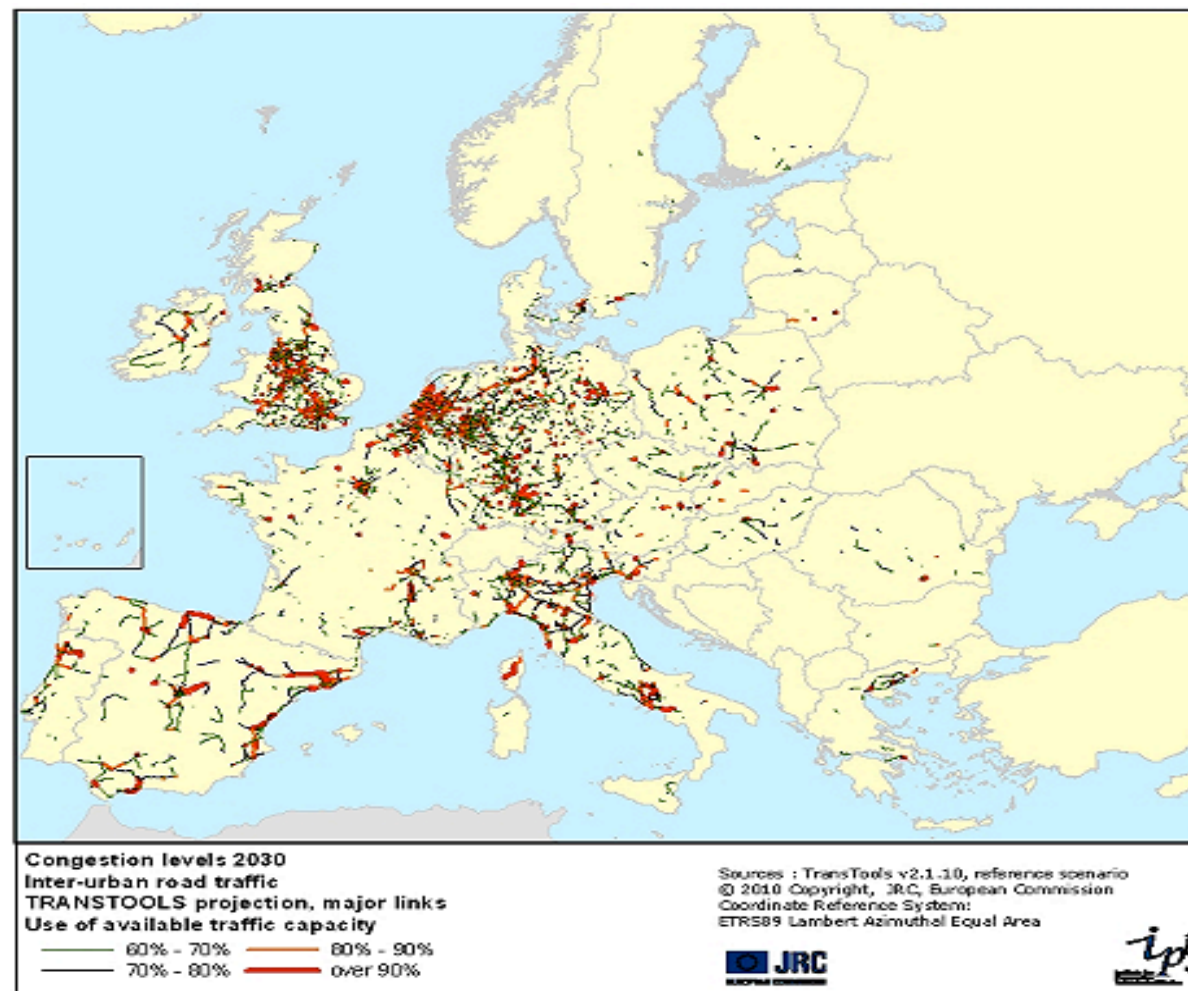
- transport accounts for about one fourth of GHG emissions
- By 2030, GHG emissions will be 25% more than 1990 if business as usual



Source: PRIMES-TREMOVE and TREMOVE

Infrastructure: bottlenecks

at least
1% of GDP
is lost in
congestion



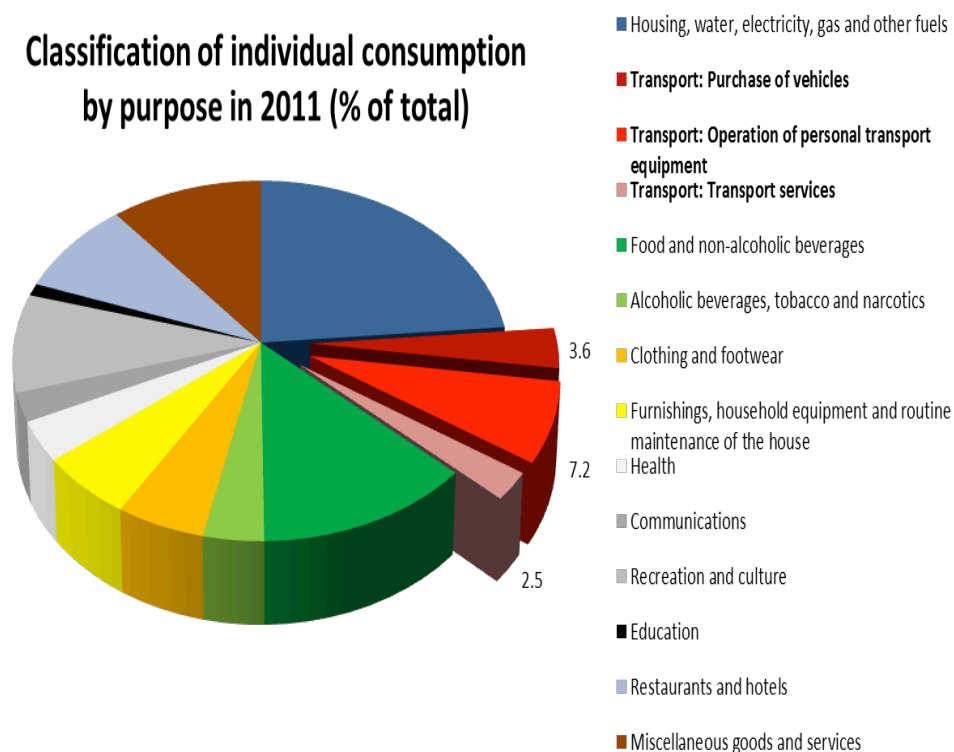


Poor infrastructure impedes growth

- **Marked differences among countries, but generally declining trend in investment in transport infrastructure**
- **Ageing infrastructure increases costs and leads to congestion problems**
 - Poor maintenance of bridges, tunnels, etc. reduces safety and capacity
- **Some airports are becoming overcrowded**
 - Eurocontrol predicts that 11 to 25% of the demand will not be accommodated between 2007 and 2030 because of airport capacity constraints
- **Poor inter-modal connections of sea-ports lead to missed economic opportunities (Southern Europe)**

Changing transport patterns with relevant economic consequences

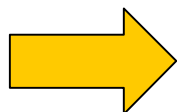
Classification of individual consumption by purpose in 2011 (% of total)



- Households spend 13% of their budget on transport (2nd largest item)
- In some MSs, less km driven with private cars. Vehicle purchases are decreasing and not only because of the crisis (congestion, oil price, competing expenditure)
- Greater use of high speed rail and aviation for medium-long distances.
- Alternative fuel vehicles in cities
- Sharing economy

Objectives of EU Transport policy 2011 White Paper

Challenges



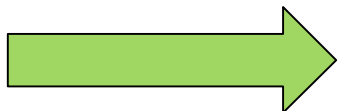
- **Growing congestion:** no longer only in cities
- **Price of oil:** revised upwards (latest IEA) notwithstanding shale oil
- **GHG emissions:** a concern for the transport system worldwide

Goal



Safeguard mobility for people and businesses

How?



Less energy, Cleaner energy, and Better use of infrastructure

Instruments



A programme of 40 initiatives



The vision (passengers)

Long-distance and intercontinent al travel

- Adequate capacity and improved overall travel experience (non-intrusive security checks; better connections rail/airports...)
- Efficient aircraft and operations

Regional travel

- Cleaner fuels
- Seamless multimodal travel (online multimodal info and ticketing, multimodal hubs...)
- Quality service and enforced passengers' rights

Urban transport and commuting

- Near-zero casualties for road
- Non-fossil mobility:
 - **Better infrastructure for walking and cycling**
 - **Higher share of public transport**
 - **Alternative propulsion for urban buses and taxis**
 - **Clean and efficient cars**



The vision (freight)

Long-distance and intercontinent al freight

- High global maritime standards
- More efficient hinterland connections for ports
- Modern vessels and cleaner fuels for shipping

Medium distance and regional transport

- Paperless logistics
- Long-distance (multimodal) freight corridors
- No barriers to maritime transport
- Cleaner trucks

Urban transport and deliveries

- Better interface between long distance and last-mile
- Freight consolidation centres and delivery points
- ITS for better logistics
- Low-noise and low-emission trucks for deliveries



The programme – 4 “i”s and 40 actions

- | | | |
|----------|------------------------|---|
| I | nternal market: | Create a genuine Single European Transport Area by eliminating all residual barriers between modes and national systems. |
| I | nnovation: | EU research needs to address the full cycle of research, innovation and deployment in an integrated way. |
| I | nfrastructure: | EU transport infrastructure policy needs a common vision and sufficient resources. The costs of transport should be reflected in its price in an undistorted way. |
| I | nternational: | Opening up third country markets in transport services, products and investments continues to have high priority. |



Policy examples

White Paper

- *Opening of domestic markets (rail passengers, road cabotage)*
- *Technical compatibility throughout the EU and beyond (ERTMS)*
- *Implementation of the Single European Sky to enhance capacity and reduce congestion*
- *Elimination of (E-W) missing links (CEF, TEN-T)*
- *Promotion of new technologies and safety*
- *Pricing, e.g. infrastructure or external cost charging*
- *Taxation of fuels or vehicles*



White Paper Review

- White Paper stock-taking might lead to a new approach based on real needs of transport users, service providers, industry, public authorities, citizens = 'transport for people'
- Take into account new situation: lower oil prices; 2030 package, economic crisis ...



European Energy Union

- **Objective** → to give EU consumers - households and businesses - secure, sustainable, competitive and affordable energy.
- Require a **fundamental transformation** of Europe's energy system.
- A **vision** of an integrated continent-wide energy system where energy flows freely across borders, based on competition and the best possible use of resources, and with effective regulation of energy markets at EU level where necessary.
- Energy Union is a **sustainable, low-carbon and climate-friendly economy** that is designed to last.



Policy examples

Energy Union

- Fair and efficient pricing for sustainable transport – revision of the Eurovignette Directive and framework to promote European electronic tolling
- Review of market access rules for road transport to improve its energy efficiency
- Master Plan for the deployment of Cooperative Intelligent Transport Systems (MOVE)
- A strategic transport R&I agenda
- Review of Regulations setting emission performance standards to establish post-2020 targets for cars and vans
- Establishing a monitoring and reporting system for heavy duty vehicles (trucks and buses) with a view to improving purchaser information

(Transport) Policy Making

The Policy Cycle



Evaluations

"a judgement of interventions according to their results, impacts and the needs they aim to satisfy"

What are the main evaluation issues ?

- Effectiveness
- Efficiency
- Relevance
- Coherence
- EU Added Value



Impact Assessments – Basics

- *A set of logical steps to structure preparation of a proposal*
- *Provides evidence of potential impacts of a proposal and identifies possible trade-offs/synergies relative to a baseline scenario*
- *Tool to promote coherence across policy domains and to examine case for EU action*



Impact Assessments – Key steps

1. *Identification of the problem*
2. *Definition of objectives*
3. *Identification of policy options*
4. ***Analysis of economic, social and environmental impacts***
5. ***Comparison of options to identify the « best » solution***
6. *Outline of policy monitoring and evaluation*

Modelling use

- *Increasing need of statistical/modelling evidence to support policy making*
 - ✓ Preparation of **general scenarios** (White Paper, TEN-T proposal, Technological roadmaps, Internalisation of externalities...)
 - ✓ Ex-ante **Impact Assessments** of specific proposals (4th Railway package, Clean power for transport, Urban Mobility Plans, Ports services,...) as well as ex-ante **Evaluations**



Required capabilities (for general scenarios)

- **Input:**

Projections on GDP, sectoral value added, and population
World price of energy products

- **Output:**

Generalised cost of transport
Investments cost
Distribution of traffic on the network (per mode and passenger/freight)
Congestion (per mode and per sections)
Employment (per mode and per region)
Income distribution
Accessibility
Health costs
Energy use (per mode and per fuel)
GHG emissions
Emissions of local pollutants
Noise emissions

**Economic
Impact**

**Social
Impact**

**Environm.
Impact**



Required capabilities (for specific proposals)

- **Input:**

- Network expansion/upgrade
- Infrastructure pricing; Various forms of taxation
- Market opening/increased competition
- Transport planning (better integrate urban mobility in the EU transport policy)
- Performance standards
- Technical standards

- **Output:**

- Same economic, social and environmental impact
- Focus on urban / interurban / intercontinental dimension and differentiation of traffic by distance classes

Thank you very much for your attention!

