

Opinion of the European Economic and Social Committee on 'Road transport in 2020: organised civil society's expectations'

(Exploratory opinion)

(2009/C 277/05)

Rapporteur: **Mr SIMONS**

On 24 November 2008, the Czech presidency of the European Union wrote to the European Economic and Social Committee under Article 262 of the Treaty establishing the European Community requesting an exploratory opinion on

Road transport in 2020: organised civil society's expectations.

The Section for Transport, Energy, Infrastructure and the Information Society, which was responsible for preparing the Committee's work on the subject, adopted its opinion on 15 April 2009. The rapporteur was Mr SIMONS.

At its 453rd plenary session, held on 13 and 14 May 2009 (meeting of 13 May 2009), the European Economic and Social Committee adopted the following opinion by 89 votes in favour, to 33 with 17 abstentions.

1. Conclusions and recommendations

1.1. In line with the further information received from the Czech presidency, the Committee has restricted the scope of this opinion to goods transport by road. Commercial passenger transport by road would require a separate opinion.

1.2. All forecasts indicate that there will be sharp, double-digit increase in goods transport by road from now until 2020. Growth is expected to stagnate over the next few years as a result of the current economic downturn, but that will have no appreciable impact on the position in 2020.

1.3. If the growth expected by 2020 does kick in, then it is vital, among other things, to pursue with all necessary vigour the co-modality approach to transport policy in order to achieve an integrated transport policy based on economic, social and ecological principles, advocated in the Transport White Paper and endorsed by the Committee in its opinion of 15 March 2007.

1.4. The expected growth also brings with a range of difficulties that are already engaging supranational authorities, governments, stakeholder groups and the general public. These include rising levels of CO₂ emissions, transport-sector dependence on fossil fuels, the shortage of safe infrastructure, and guaranteed sound (working) conditions for drivers.

1.5. To address these difficulties, the Committee feels it vital to generate a sense of urgency among all concerned, thereby securing the support that is so essential.

1.6. The Committee feels that, in terms of essential measures, more needs to be done to tackle CO₂ emissions at source, among other things by stepping up the development of new-generation, low-energy engines.

1.7. As for the commercial transport sector's dependence on fossil fuels, the Committee considers it vital to put in place a well-financed research and development programme to explore how sustainable energy can be deployed in this sector.

1.8. Tax-related measures to promote products and/or measures geared towards alternative propulsion techniques and the reduction of CO₂ emissions are also, in the Committee's view, a step in the right direction. This might include a quicker phase-out of older models of goods vehicles.

1.9. In addition to technical innovations and similar investments, swift action is needed to expand the requisite infrastructure to handle the expected growth, including, for example, providing a sufficient number of properly equipped, secure and guarded parking areas and service stations. These must be such that drivers are able to comply with – and actually relax during – their statutory break and rest periods. In particular, drivers must be protected against theft, aggression and other forms of crime. Universally applicable standards (structural design, services provided, parking guidance systems) must be developed and introduced without delay in service stations and parking areas – not only on motorways. The improvements to parking areas and service stations may be funded via lorry tolls. An added advantage of such measures is that, in the current downturn, investments of this kind can also stimulate economic activity.

1.10. As a profession, driving needs to be kept attractive through guaranteed sound (working) conditions, including, not only on paper but also in practice, regular working hours and harmonised driving time and rest periods. The Committee feels that monitoring of the social legislation covering this sector should also be harmonised at a high level across the EU and, when necessary, subject to sanctions. The Committee thinks that social dialogue between employers and workers at both national and EU level is vital to the smooth operation of the sector.

1.11. The Committee is firm in its belief that the proposals set out in this opinion must not only serve to generate a sense of urgency but must above all also be a catalyst for prompt and speedy action to tackle the expected growth in a sustainable way.

2. Introduction

2.1. With the Czech Republic poised to assume the EU presidency for the first half of 2009, the Czech transport minister, Mr Aleš Řebíček wrote to the secretary-general of the European Economic and Social Committee, Mr Martin Westlake, on 24 November 2008.

2.2. In his letter, Mr Řebíček noted that good cooperation between the Czech transport ministry and the EESC was vital for the optimum execution of the Czech presidency agenda.

2.3. The Czech presidency has therefore requested an exploratory EESC opinion on *Road transport in 2020: organised civil society's expectations*. This is a key political issue and is closely tied in with ongoing developments on the Eurovignette file and with the TEN-T agenda due for publication shortly.

2.4. To garner the views of stakeholders from various sectors of society quickly, the Committee felt that a hearing was needed at which their representatives would be able to express their opinions.

2.5. The stakeholder views expressed at the hearing are appended to the opinion (1).

2.6. For the purposes of this exploratory opinion, the term 'road transport' will, in line with the further information received from the Czech presidency, be taken to mean goods transport by road. Commercial passenger transport by road would require a separate opinion.

2.7. This qualification does mean, however, that the conclusions drawn here – on infrastructure, for instance – must be handled with the necessary care as they do not include the additional dimension of private passenger transport, which is the main use to which infrastructure is put.

2.8. The Czech presidency's request to examine the prospects for the road transport market from now until 2020 becomes all the more important in the light of the findings of the European Commission's 2001 Transport White Paper mid-term review, where a 50 % growth in freight transport (in kilometre-tonnes) in the EU-25 is forecast by 2020 and the point is made that, in the EU-27 in 2006, around three-quarters (73 %) of internal freight was transported by road.

2.9. In terms of kilometre-tonnage, rail accounts for 17 % of freight transport, with inland waterways and pipelines each taking a 5 % share. Steps should therefore be taken to increase the share of these transport modes and of short sea shipping.

2.10. If correct, the projected increase in transport levels by 2020 – involving a doubling of international road transport, i.e. a rise at twice the rate of that for national road transport – will significantly impact a number of areas. Inadequate infrastructure, resulting in congestion is a case in point here. Unless drastic action is taken, there will be a sharp rise in CO₂-emissions, noise and energy consumption. Moreover, if current policy remains unchanged, the working and overall conditions for drivers will deteriorate, making the profession itself less attractive.

2.11. Clearly, these areas must be deemed bottlenecks and fundamental choices will need to be made that are vital to securing the smooth operation of the single market in the road transport sector.

2.12. The situation is complicated by the fragmented nature of the road transport market. Some 900 000 businesses within the EU are affected, more than half of which may be classed as small businesses. Although some consolidation is in evidence in terms of the actual numbers of businesses involved, the size of those businesses is on the increase. Also, there is little cohesion in the road transport market, not least among small businesses that operate on their own and have little inclination to work together with others. The result is poor logistics – and major potential for improving standards in the sector.

(1) Appendices to opinions are not published in the EU Official Journal. In this case, the appendix may be accessed via the EESC website: www.eesc.europa.eu.

3. General comments

3.1. Eurostat figures for 2006 indicate that, in 25 of the 27 EU countries, the share of road transport, measured in kilometre-tonnes, was over 50 % compared with other modes (rail, inland waterway and pipelines). In Estonia and Latvia more than 60 % of total freight was transported by rail. According to the same Eurostat study, the railways also took a share of more than 60 % in Switzerland too.

3.2. Moreover, 85 % of freight tonnage transported by road involves distances of less than 150 km. Distances of more than 150 km account for 15 % of the transported freight tonnage.

3.3. These figures also show the strength – and indeed flexibility – of road haulage, given that for short distances there are few alternatives.

3.4. Over longer distances in particular and depending on the kind of freight involved, alternatives to road haulage do exist for internal transport in the form of rail and inland waterways, provided that an at least equivalent standard of service can be guaranteed and that the unavoidable transshipment costs are kept at an acceptable level. The internalisation of external costs could play a role in this connection.

3.5. Short sea shipping is a possible alternative for sea-accessible routes, provided customs and administrative barriers are removed and, again, that the transshipment costs can be kept in check.

3.6. Data from the European Commission's *European Energy and Transport* report and the NEA research institute indicate that gross national product – and thus transport – are set to increase sharply between now and 2020 unless steps are taken to break the link between these two factors, as it was already acknowledged in the mid-term review of the Transport White Paper.

3.7. Forecasts for international freight transport show that, by 2020 and taking 2005 as a base year, increases are expected of:

- 33 % for transport within western Europe,
- 77 % for transport within eastern Europe,
- 68 % for transport from western to eastern Europe, and
- 55 % for transport from eastern to western Europe.

Given the sector's fossil fuel dependency, this expected growth in goods transport by road by 2020 will have a major impact on energy reserves.

3.8. Freight transport is thus, broadly speaking, expected to rise. Over the next few years, however, because of the credit crunch and the resultant economic recession, the increases will be lower than expected, but action will still be needed to tackle the situation. 2020 is still a good ten years hence, and the impact of recession is thought unlikely to persist until then.

3.9. The expected growth in transport is a corollary of economic growth within the EU and must take place against the backdrop of a more integrated market that is also underpinned by harmonised measures such as rigorous monitoring and sanctions.

3.10. Alongside the development of alternatives and investment, the Committee endorses as a necessary step the European Commission's plan a move away from an aggressive policy of modal shift to one centred on co-modality⁽²⁾, i.e. the optimum use of each transport mode and the most effective possible interplay between all modes, with the long-term aim of securing a high level not only of mobility, but also of environmental protection.

3.11. Meeting on 15 March 2007⁽³⁾, the Committee endorsed the aims of the revised white paper, which seeks to optimise all modes of transport, on their own and in combination, enhancing the specific potential of each one, and stressed the need to make maritime, inland waterway and rail transport more competitive.

3.12. To handle the expected growth, it is vital to secure the support and cooperation of stakeholders. A hearing with the relevant international umbrella organisations from civil society was thus a useful way to garner their views. These views could then be included in the exploratory opinion.

3.13. One conclusion to be drawn from the freight transport growth expected by 2020 is the need to expand the physical infrastructure for all inland transport modes. For short sea shipping, action is above all needed to remove customs and administrative barriers.

⁽²⁾ On page 4 of the mid-term review of the 2001 Transport White Paper (COM(2006) 314 final), the Commission defines co-modality as 'the efficient use of different modes on their own and in combination will result in an optimal and sustainable utilisation of resources'.

⁽³⁾ Opinion of the European Economic and Social Committee on the Communication from the Commission to the Council and the European Parliament - Keep Europe moving - Sustainable mobility for our continent - Mid-term review of the European Commission's 2001 Transport White Paper (COM(2006)314 final), OJ C 161, 13.7.2007.

3.14. Moreover, if road freight transport grows as expected, action will be needed to address the concomitant impacts, such as CO₂ emissions, traffic accidents and energy consumption, and the consequences for society, not least the lack of a sufficient number of guarded and properly equipped parking areas and service stations.

3.15. Progress is also needed on issues such as empty trips, harmonised, checks and fines, genuine single market integration, enhanced efficiency not least through modular systems where appropriate, quicker border checks, logistic blueprints for the actual transport itself, and studies on cruising speeds and better tyres.

3.16. At the same time, the Committee recognises that, for the period after 2020, a more visionary policy will be needed. It therefore calls on the Commission, the Council, the European Parliament and the sector itself to address this issue in the upcoming debate on the future of transport announced for 2010 by transport commissioner, Mr Antonio Tajani.

4. Specific comments

4.1. For the expected rise in international road freight transport to take place and given the (limited) scope to absorb that rise through other transport modes, the Committee considers it vital to develop an appropriate strategy at both international and national level.

4.2. Action is needed to put in place and upgrade the physical road and transport infrastructure (removal of bottlenecks) at both European and national level. Appropriate consideration will thereby have to be given to the lack of – and thus the need to increase numbers of – guarded, properly equipped and secure parking areas and service stations.

4.3. Attention is drawn here to the Commission communication *Strategy for the internalisation of external costs* and the forthcoming Committee opinion on the subject ⁽⁴⁾.

4.4. As a profession, driving needs to be kept attractive through guaranteed sound (working) conditions, including, not only on paper but also in practice, regular working hours and harmonised driving time and rest periods. The Committee feels that monitoring of the social legislation covering this sector should also be harmonised across the EU. In the case of non-compliance with the legislation, sanctions – particularly in the form of financial deterrents – should be introduced and applied. The Committee thinks that social dialogue between employers and workers at both national and EU level is vital to the smooth operation of the sector.

4.5. Over the past few years, western European road haulage companies have established subsidiaries in countries such as Poland, the Czech Republic and Hungary. Together with long-established national road haulage firms, these outsourced subsidiaries handle the vast majority of road haulage between western and eastern Europe – with the trend continuing upward.

4.6. Given the expected growth, the Committee calls for a resolution of the administrative and physical bottlenecks that may hamper intermodality. It takes the view that all transport modes need to be able to operate as effectively as possible, always bearing in mind the need for a level playing field.

4.7. Similarly, the Committee feels that moves to deal with the expected growth in transport levels must be accompanied by enhanced moves on energy and the climate. As the Committee pointed out in its opinion on the mid-term review of the Transport White Paper, priority must be given to reducing dependency on fossil fuels – and also to cutting CO₂ emissions, above all by taking action at source, such as improving engines to emit less CO₂ (Euro V and VI and new-generation, low-energy engines).

4.8. Research findings indicate that, if the increase continues apace and contingent on the economic growth scenario, CO₂ emissions are set to rise by between 17 and 55 % between now and 2020. Overall CO₂ emissions are set to fall from 2040 onwards. The Committee is concerned about these figures. It is essential to draw on all available knowledge and make every possible effort to devise measures – even ones that are not immediately obvious – to cut CO₂ emissions in the period from now until 2020 too. These measures might include a quicker phase-out of older models of goods vehicles and the earmarking of funds obtained through the internalisation of external costs.

4.9. The Committee thinks that, despite the impossibility of any short-term reduction in road haulage dependence on fossil fuels, additional efforts are needed to find longer-term alternatives. In the opinion mentioned above, the Committee also stressed the need to put in place a well-financed research and development programme to foster the use of sustainable energy.

4.10. According to the Commission's energy efficiency action plan ⁽⁵⁾, there is potential to save an estimated 26 % on transport-sector energy consumption by 2020.

4.11. What, then, can be done to reduce the adverse impacts of road haulage? The Committee feels it is vital to improve the organisation of logistical processes, thereby also enhancing the performance of goods transport by road.

⁽⁴⁾ COM(2008) 435 final, 8.7.2008 and TEN/357 'Internalisation of external costs'.

⁽⁵⁾ Communication from the Commission: Action Plan for Energy Efficiency: Realising the Potential COM(2006) 545.

4.12. The Committee also considers moves to build up support and raise awareness as the most important keys to success. Carrots and sticks should both be deployed here. Actions should include rewards in the form of financial incentives or subsidies for investments in sustainable lorries and buses, a modulated approach to road toll rates and/or other kinds of levies, and similar tax-related measures to promote products geared towards alternative propulsion techniques and 'green' lorries and buses, and rigorous regulative measures.

4.13. Lastly, the Committee would recommend that, in terms of technological and management development, the road transport

sector would do well to conduct a benchmarking study, thereby making it possible to draw on measures applied in other sectors.

4.14. The Committee recognises that there is no more time to lose. It thus firmly believes that, in addition to generating a sense of urgency, the proposals set out in this opinion, and any other relevant suggestions, also – and above all – need to be implemented effectively. Prompt and speedy action must therefore be taken to tackle the expected growth in a sustainable way.

Brussels, 13 May 2009.

The President
of the European Economic and Social Committee
Mario SEPI
