

**move ► green**

# Measures for a climate-friendly transport policy in Europe

Summary of the Soft Mobility Paper

adopted by the Greens/EFA Group  
in July 2006



**The Greens | European Free Alliance**  
in the European Parliament

[www.greens-efa.eu](http://www.greens-efa.eu) ► [www.stopclimatechange.net](http://www.stopclimatechange.net)



CO<sub>2</sub> emissions from road and air transport, with their damaging climatic impact, have continued to rise over the past few years. They are responsible for about one third of the total volume of greenhouse gases. It is therefore high time to reduce the consumption of fossil fuels in transport operations by means of a coordinated European strategy.

Transport accounts for some 70% of annual oil consumption in the EU. Ninety-six per cent of the motor fuels used by vehicles and aircraft are based on mineral oil. No other sector of the economy is so heavily dependent on oil. From an environmental perspective there is no alternative to a strategy of **reduced dependence on oil**, and even such a strategy is doomed to fail unless it focuses on transport too.

On 7 March 2006, in their Vienna Declaration on Sustainable Energy Policy in Europe, the Greens in the European Parliament defined the main aims of an environmentally compatible pro-climate energy policy and specified the areas in which action was required, stressing the key importance of appropriate steps in the transport sector. As the declaration says, 'Transport policy is energy policy'.

In our 'soft mobility paper' we outline practical measures in the framework of a **strategy to reduce oil consumption** and hence to cut transport-induced climatic pollution. The first step consists of traffic reduction; the second is a gradual and long-term shift of the energy basis for transport from fossil fuels to renewables; without this, people's mobility would sooner or later regress to that of the pre-industrial era. For this reason, the motorised transport of the future should be driven by solar energy - in the broadest sense - or else it will grind to a halt.

If Europe intends to make progress in protecting the climate from the impact of transport operations, there must be a **renaissance of Europe's railways**. The example of the United States demonstrates convincingly that it is possible for a highly industrialised country to move a large percentage of its freight by rail. More than 40% of goods are now carried by rail in the United States, as against a diminishing average of some 14% in the 25 EU Member States.

With regard to the **reduction of CO<sub>2</sub> emissions from transport**, we propose that the EU set itself the medium-term target of an 8% cut by 2012 in this sector too, in accordance with the Kyoto commitments. For 2020 the Member States of the Union should set new, more ambitious targets and make binding agreements on measures designed to produce a 30% reduction in relation to the base year (1990) in the volume of climate gases deriving from transport activities.

One of the key operational objectives in the quest for reduced CO<sub>2</sub> levels is to **shift the transport balance** away from modes with high climate gas levels, namely cars, haulage vehicles and aircraft, to those that protect the climate, i.e. rail, inland navigation, coastal shipping and cycling. To this end, the EU should set as its environmental benchmark an annual 1% shift in the modal split in favour of climate-friendly means of transport and adjust all of its transport-related measures accordingly.

The key priority, from the Greens' perspective, is **traffic reduction**. This can be achieved through the road haulage industry's cooperation in avoiding unladen journeys - as has occurred in Switzerland since the introduction of the user charges for HGVs, for example - and through an infrastructure policy that aims to reduce the volume of





traffic. Among other things, this entails supplying conurbations with locally sourced products - in London, for example, this is organised through the 'food campaign' pioneered by Ken Livingstone and Jenny Jones - and regional planning policies which aim to create cities where everything is close at hand, thus reducing the need for travel, together with prioritisation of public transport.

The greatest, quickest and cheapest contribution to climate protection can be made by measures to maximise the **efficiency** of existing means of transport, in terms of both technical efficiency and efficient utilisation. In view of the high market share accruing to cars and HGVs in the EU, measures to reduce the fuel consumption of road vehicles are the most important requirement and have the greatest impact in the short term.

Our specific proposal is for a **binding EU-wide ceiling on the total volume of CO<sub>2</sub> emissions** from road traffic. Such an instrument is necessary because the existing voluntary commitment on the part of the European car industry is plainly not being honoured. At the same time, **binding CO<sub>2</sub> ceilings** must be included in European standards for pollutant emissions, which should in turn be benchmarked against the best models in each vehicle category (the 'top runner approach'). By 2012, an aggregate emission volume of 120 grams of carbon dioxide per vehicle/kilometre must not be exceeded. We propose that this ceiling be further lowered by at least 10g per km every two years thereafter until a ceiling of 80g/km for all road vehicles is reached in 2020. The sanction mechanism for failure to comply with the applicable ceiling would be the imposition of penalty payments.

The price of air and road transport today does not reflect environmental reality because the **social costs** (disability, costs of hospitalisation and incapacity, pension payments, reduced rental incomes due to road traffic noise, physical damage to cultural heritage) are not included in the prices we pay. In Germany, for example, every car is subsidised by the tax-payer to the tune of EUR 3 000 per year (study by UPI Darmstadt). In fact, this is a 'conservative' calculation, which does not include the global impacts such as climate catastrophe and the hole in the ozone layer.

Moreover, selective tax subsidies, particularly for air travel, distort competition between modes of transport, to the detriment of environment-friendly rail transport. Passenger and cargo flights today are not subject to excise duty on aviation fuel (kerosene tax), whereas fuel used in road and rail transport is dutiable, and cross-border flights are VAT-exempt into the bargain. Furthermore, in many EU Member States, the railway system is subject to user charges, such as rail path charges, which apply to all routes and trains, whereas for its competitor, road freight, such charges only apply to lorries weighing over 12 tonnes driving on motorways. It is hardly surprising that a shift is now taking place in road haulage: away from large to small HGVs and away from motorways to major roads. And although the common rules on charges for heavy goods vehicles allow Member States to levy the charges on all HGVs and all roads, they are failing to utilise this opportunity. Switzerland is the only exception and sets a good example. In Switzerland, the road user charges are four times higher than in Germany and apply to all roads and all HGVs. Here, a shift in goods transport off the roads and onto rail has indeed taken place.

In order to remove these unfair conditions and reflect the true costs of transport, we advocate the **introduction of a European climate tax on aviation fuel (kerosene)** on all domestic and intra-EU flights (with the possibility of exempting all carriers on routes on which non-EU carriers operate). This revenue is necessary for the funding of measures to combat climate change and for 'transport projects for European unity', focusing chiefly





on international East-West rail links. Priority should be given to modernising existing routes in preference to embarking on major projects that are cost, time and machine-intensive. This will not only achieve greater and faster efficiency; it will also create more jobs.

However, the other tax exemptions currently enjoyed by the sector, notably VAT, should also be brought to an end; and because the emissions from aviation are 2-4 times more damaging to the climate than the direct CO<sub>2</sub> effects, it is important that measures to address the range of non- CO<sub>2</sub> impacts are introduced in parallel with any CO<sub>2</sub> measures, for example charges for NO<sub>x</sub> emissions. These measures are needed to level the playing field between aviation and other transport sectors, and to incentivise research and development by airlines to improve the cleanliness and efficiency of their technology.

A tax on aviation fuel can already be levied in respect of domestic flights under the current European Directive restructuring the Community framework for the taxation of energy products and electricity (2003/96/EC). So far the Netherlands is the only Member State to have introduced such a tax, which is levied at the rate of about €0.20 per litre. Outside the EU, India, Japan and the United States also apply kerosene taxes for domestic flights. If aviation fuel were subject to the prescribed minimum tax rate for mineral oil of €302 per 1 000 litres (i.e. about €0.30 per litre), such a tax would generate revenue of about €13.6 billion a year; if the tax were based on the Dutch rate, it would yield about €9 billion. Applied to the price of a ticket for a 625-mile flight within Europe, this would increase the fare by no more than €8 to €10.

At the same time the **minimum rate of excise duty on fuels**, which presently stands at about €0.30 per litre, should be increased by 5% each year in the framework of a phased plan. Countries with low rates of excise duty, some of which - Luxembourg, for example - attract considerable volumes of petrol pump tourism, would thereby be compelled to fall into line with European taxation standards.

We also want to see an increase in European user charges for HGVs based on the **Swiss model** under the system of European road tax discs in line with the 'polluter pays' principle through the inclusion of the social cost of haulage operations and through an extension of the charging system to vehicles weighing upwards of 3.5 tonnes, with no loopholes, and to the entire European road network. A new revision of the Directive on the charging of heavy goods vehicles for the use of certain infrastructures, which should take place by 2008 at the latest, must be based on the following objectives:

- inclusion of environmental and health costs in the calculation of the rate of user charges;
- user charge requirement for HGVs on the whole road network of all EU Member States after a transitional period;
- user charge requirement, with no loopholes, for all HGVs weighing 3.5 tonnes and over;
- supplementary and higher tolls in environmentally sensitive areas, such as the Alpine region;
- introduction of a minimum rate for HGV user charges in the Member States.





In some cases, these measures will not be enough to reduce the harmful impacts of transport operations to a level that is compatible with health. Restrictions on transport operations are therefore also required to protect health, e.g. time-limited or graduated bans on transport operations when there are high levels of pollution in sensitive areas and conurbations, block admission systems for HGVs (such as the drip-feed system in place in tunnels in Switzerland) or upper limits on vehicle numbers, especially for HGVs, in certain regions.

**Urban passenger transport** should be as clean and quiet as possible, which can be achieved with a combination of transport services that are appropriately coordinated and by promoting environment-friendly modes of transport. Some 80% of EU citizens live in densely populated conurbations. Many cities possess thoroughly attractive systems of local passenger transport, albeit with scope for further improvement.

This is where new **intermodal mobility strategies** come into play. The prerequisite for an intermodal transport system is a well-developed public transport network as the backbone of the system, which is then supplemented by individual mobility facilities such as car sharing and bicycle hire. A cheap and highly efficient approach lies in the **promotion of cycling and walking**. Half of all car journeys in the EU are shorter than six kilometres, whilst 10% are even less than one kilometre. Many of these journeys could be made by bike or even on foot. If only 30% of car journeys of less than six kilometres were made by bicycle instead, the volume of CO<sub>2</sub> emissions generated by road traffic would be cut by four per cent in Germany, for example.

There is a need for targeted support from the EU for demonstration and pilot projects for the use of information and communication technology in intermodal passenger transport. This and other projects for **environment-friendly urban transport** should be financed by a considerable increase in research funding from some of the revenue generated by a European climate tax.

On the way to a **zero emission car**, systematic pressure and support are needed for technological innovations in order to further improve conventional propulsion technology and to develop and apply new forms of propulsion technology and alternative fuels based on renewables. This presents the highly advanced European car industry with opportunities as well as risks. The thorny question about the future of the motor car in the context of a rapidly growing global vehicle market, accompanied by dwindling and increasingly expensive oil reserves, has scarcely been addressed yet by European car manufacturers. The scale of the challenge is still being played down.

**Air and sea transport** are the fastest growing modes of transport in global terms, and yet they have up to now been exempted from any obligation to reduce greenhouse gas emissions, since they are not covered by the Kyoto Protocol. All transport operations - especially air and sea transport - must be included in CO<sub>2</sub> emissions trading under Kyoto II to rectify this omission. There is no long-term justification for tax privileges, subsidies and grants, not even for inland waterway transport. The air transport industry has even shown a degree of sympathy for the inclusion of air transport in emissions trading, particularly in the United Kingdom. Whether emissions trading can become an effective instrument in that sector will depend directly on the design of a scheme, noting that the airlines' enthusiasm for emissions trading stems from their expectation that it will do little to hinder their continued growth. Airlines must not be given unrestrained access to the general carbon market: operators must be forced to compete among themselves for limited rights to emit - ideally through a scheme which is entirely separate from the existing EU-ETS.

