

17.6.11**Decision
of the Bundesrat**

Commission White Paper: Roadmap to a single European transport area – Towards a competitive and resource efficient transport system**COM(2011) 144 final**

At its 884th meeting on 17 June 2011, the Bundesrat adopted the following opinion pursuant to Sections 3 and 5 of the Act on cooperation between the Federal Government and the Federal States' Governments on EU affairs:

1. The Bundesrat asks the Federal Government to adopt the following positions during further discussions of the White Paper within the European institutions:
2. The Bundesrat welcomes the Commission's White Paper, which develops a strategic vision for sustainable, competitive transport in Europe with its global links to meet the challenges in the transport sector as regards dependence on oil, increasing greenhouse gas emissions and infrastructure overload.
3. Transport is a key factor in moving towards a sustainable society but also an economically sensitive, logistically complex and environmentally problematic area. To that extent, transport issues are also European internal market issues. It is thus necessary to formulate the vision courageously and clearly together with the related objectives and policy-choice options.
4. The Bundesrat agrees with the Commission that the existing transport system is not sustainable and supports the need for the action described against the background of rising CO₂ emissions and the costs of transport to society.

5. The Bundesrat agrees with the Commission that very clear efforts are needed to achieve a sustainable, efficient and high-performance transport system and at the same time to achieve the necessary reduction in energy consumption and mitigate the negative impact of transport.
6. It fundamentally welcomes the concept of preparing the European transport area for the future as set out by the Commission in the White Paper, but it fails to see any concrete suggestions as to how the Commission intends to achieve its sometimes very ambitious goals.
7. The Bundesrat supports the Commission's aim of reducing emissions from transport and the resulting pollution and considers it appropriate, on the basis of environmental policy requirements, to reduce greenhouse gas emissions from transport by at least 60 % by 2050 compared with 1990 levels.
8. The proposed objective to reduce CO₂ by 60 % by 2050 is therefore warmly welcomed.
9. However, emissions from transport are to be reduced by about 20 percent by 2030 and by about 70 percent by 2050 compared with 2008 levels. In this way most of the emissions reductions will be postponed until after 2030.
10. The Bundesrat has serious doubts about these figures and considers that greater reductions are necessary in the next 10 to 20 years in order to achieve the reduction target by 2050 in overall terms.
11. Experience in the field of transport and mobility in particular shows that the sectors concerned need ambitious targets in order to deploy the corresponding innovative power over the medium to long term.
12. This reduction target provides guidance for a competitive and sustainable transport system on which the Member States should base their national transport policy framework.
13. The Commission's ambitious targets require an appropriate financial basis. The

White Paper does not say how sufficient availability of funds can be ensured. The Member States' financial leeway is very limited and in many cases will become even more limited.

14. Care will have to be taken to ensure that national investments and the national budget legislature are not prejudiced in their entirety. National revenue from the transport sector must stay within the Member States.
15. The Bundesrat sees particular need for action in the rapidly growing sector of international air and maritime transport and to combat its negative impact on the environment. The Commission assumes that air transport will increase by 120 % between 2005 and 2050. This growth is to be rendered compatible with the ambitious environmental protection targets by including air transport in the European emissions trading system, by completing the Single European Sky, by modernising the air traffic management infrastructure (SESAR) and by means of the EU's Clean Sky project.
16. The Bundesrat takes a sceptical view of this compatibility and is instead in favour of limiting growth in air transport in particular by reducing tax distortions. However, the amending directive on energy taxation recently put forward by the Commission still does not provide for taxation of commercial aviation fuel. In this way the existing distortions in intermodal competition will continue, contrary in particular to the White Paper's central target of shifting a large part of passenger transport over medium distances to the railways.
17. The Commission plans to use solely emission trading systems as a market-based instrument to reduce greenhouse gas emissions in the air transport sector and to limit auctioning initially to 15 % of air transport emissions. However, rail transport is subject to both energy tax and emissions trading and, as from 2013, it is planned to have 100 % auctioning of emission certificates for the electricity used in the rail sector. The Bundesrat believes the Commission should draw up measures to harmonise the conditions of competition in the transport market. Moreover, in the context of the transposition of the emissions trading system Directive, the Commission is asked to establish a considerably higher level of auctioning as from 2012, inter alia to prevent airlines from making windfall profits by pricing in free emissions certificates.

18. The Bundesrat points out that, in its view, biofuels can only play a subordinate role in the proposed development.
19. It takes a critical view of the Commission's target of 40 % for low-carbon sustainable fuels in aviation by 2050, particularly in conjunction with unfettered growth in air transport, as the sustainability of production of energy crops is still not sufficiently clear in economic, social and environmental terms.
20. On the question of electro mobility, integration with environmentally and climate friendly energy production is key. The EU should therefore in particular promote the development and expansion of renewable forms of energy and the corresponding means of storage, especially with an eye to the transport sector.
21. The Bundesrat considers that the White Paper's demand for focusing on infrastructure measures which generate the highest European added value continues to be fundamental and crucially important. However, the needs of the Community's regions and cities which generate high levels of added value must at least be considered in the same way as structural policy measures. In the future too, it must be possible to create sufficient added value in the Community, inter alia to be able to provide the funding for structural and regional policy measures.
22. The Bundesrat considers it prudent in principle to keep a close eye on changes in emissions, but points out that, for the development of any sector-specific requirements and measures, the associated costs and uncertainties must be examined in depth.
23. The stronger emphasis on the polluter pays principle is welcomed. This principle is important when taking account of negative externalities and for the funding of development leading to a sustainable society. The Bundesrat welcomes the fact that the Commission has included user-funded infrastructures and urban road user charging in the White Paper. Like the funding issue, these issues are particularly important, including in terms of quality of urban life.
24. However, the Bundesrat believes that during the implementation of the targets set in the White Paper increased attention should be paid to compliance with the subsidiarity principle. With regard to the proposals concerning urban transport,

the Bundesrat repeats the view it expressed in its comments on the [German] Green Paper on urban transport (BR-Drucksache 681/07 (Beschluss)) that, in view of the subsidiarity principle, the EU has no competence with regard to urban transport issues such as urban road charging and restrictions on access and that it opposes action which impacts on the competence of the Member States, the German federal states and municipalities.

25. For the charging of external costs, the Bundesrat takes the view that all social costs arising from local air pollution, noise, accidents, delays, CO₂ emissions and those arising from damage to nature and the countryside should be paid for by all transport modes, unless they are already internalised by means of taxes or charges. In order to ensure the smooth functioning of the internal market, charging of external costs must compulsorily be applied in all the Member States.
26. The Bundesrat supports the objective of establishing a core network of strategic European infrastructure in the new guidelines on the trans-European transport network (TEN-T). In the Bundesrat's view, a detailed study will be needed of expected transport demand for the core network to be planned by the Commission, with political measures for demand management based on infrastructure charging playing an increasing role as well as economic development and the price of crude oil on world markets. Against this background, we see a need for transport demand forecasts in international air and maritime transport and trans-European inland transport to be coordinated across Europe. In this context, the Bundesrat draws attention to its opinion on the 'Europe 2020' strategy and considers it appropriate to seek broad agreement on European and national road planning in the framework of a sustained mobility strategy. With regard to the funding of the TEN-T, the Bundesrat supports the Commission's proposal that European funds should in the future be made available within a single procedural framework so that TEN-T funds and funding from the Cohesion Fund and the Structural Funds are used in a coherent manner.
27. The Bundesrat in principal agrees with the Commission's demand for diversified funding of infrastructure projects, but the use of public-private partnerships (PPP) must be considered at least in the light of the benefit to the public authorities and clearly made subject to the goal of making sustainable

transport modes more attractive. It opposes the requirement to examine the PPP option for every project, as outlined in Annex I to the White Paper, to avoid unnecessary bureaucracy.

28. For the rail sector, the Commission aims to secure a much larger proportion of the medium-distance passenger and goods transport market over 300 km (more than 50 % by 2050) and wishes to make major changes to the legal framework for rail transport. In view of the environmental sustainability and energy efficiency of the railways, the Bundesrat supports this objective and sees ways of doing this by opening up the market in domestic passenger transport services and structurally separating infrastructure operators from transport undertakings.
29. However, it doubts whether such transport shifts can be achieved using the measures proposed in the White Paper. For passenger transport in particular, the railways compete with the airlines over medium distances, but on many national and European routes the railways are not competitive on account of distorted competition. In the goods transport sector, the railways are in competition in particular with heavy goods vehicles. However, there is distortion of competition in that sector as well in view of the differences in infrastructure user charges and social provisions and the railways are only really competitive when it comes to mass freight transport. In addition, there are currently 20 different train protection systems and 6 different electrical power systems in use on European railways. These technical obstacles are a major barrier to growth, especially in the transport of goods by rail. However, along with innovative funding instruments and infrastructure conditions fair competition is essential to enable the railways to gain a market share of the order of magnitude indicated. The White Paper fails to set out concrete measures in this respect.
30. At the same time, the Commission aims to triple the length of the present high-speed rail network by 2030. The Bundesrat welcomes this target, but has doubts, given the current state of development, whether it can be achieved without redistribution of financial resources.
31. Not least among the particularly important factors which will help bring about the politically desired improvement in the competitive situation of the railways is harmonisation of the social provisions in the road and rail transport sectors. In this context, the Bundesrat supports the Commission's initiative to evaluate the

terms of employment and working conditions across all transport modes. It reiterates its support for harmonisation of the social provisions in the road and rail transport sectors and calls on the Commission to take measures for this to be done.

32. The Bundesrat in principle supports the goal of shifting transport to efficient and energy-saving transport modes. However, in achieving this goal care must be taken to ensure that mobility remains affordable for everyone. The shift must be achieved by making transport modes more attractive (e.g. by further opening up the market, by means of interoperability and by improving the standard of services) and not by artificially making individual transport modes less attractive (by making them more expensive or reducing investment) as this would weaken the efficiency of the transport system and hence make Europe as a whole a less attractive place to do business.
33. The Bundesrat supports the Commission's goal of a 'zero vision' on road safety.
34. The Bundesrat in principle approves of the Commission's proposals for urban mobility plans provided that these are implemented on a voluntary basis. However, it is opposed to the proposal that the granting of regional development and cohesion funds should be linked to a requirement for the cities and regions concerned to have submitted a current and independently validated urban mobility performance and sustainability audit certificate.
35. The Bundesrat welcomes the moves towards clean urban transport and commuting such as improving public transport and encouraging walking and cycling in cities. Given the situation on the roads, measures to promote walking and cycling are often most effective where traffic levels are not too high. The Bundesrat therefore considers that the goal of transport growth is not totally appropriate for cities. Noise pollution at night in cities is normally considerable. The Bundesrat therefore believes a greater proportion of freight transport within urban areas will only be able to take place at night if the noise from propulsion systems can be reduced along with the noise of tyres on the road.
36. With regard to Annex I (List of initiatives), the Bundesrat wishes to make the following points:

Point 1.1 (Single European Transport Area) refers to improving the conditions for access and to provide quality services. The Bundesrat takes the view that there should be no further opening up of access to the market in groundhandling services at EU airports. While it supports competition and opening up of the market in the transport sector, a crucial factor with regard to groundhandling services is security. The pressure of the prices offered by firms providing groundhandling services is almost always passed on to their employees. Falling wages and a high turnover of staff do not provide the higher quality which the Commission calls for, but are creating an increased security risk on the airport tarmac.

37. The Bundesrat welcomes the transport innovation and research policy referred to in the Annex. With regard to the 'vehicle standards for noise emission levels' referred to in point 2.1, paragraph 26, the Bundesrat considers that these should be updated to utilise the potential for raising noise emission standards. The fitting of quiet brakes to freight vehicles already on the road and the gradual introduction of new rolling stock with quiet brakes and automatic couplings to make rail freight transport more attractive should be included in paragraph 26, in the Bundesrat's view.

38. In point 3.2 (a coherent funding framework), the subject of 'a funding framework for transport infrastructure' refers mainly to completion of the TEN-T core network. The building blocks referred to are:

- an investment strategy for the TEN-T programmes,
- the Cohesion and Structural Funds,
- revenue from transport activities.

Like the Commission, the Bundesrat believes it is desirable to extend the TEN-T core network since it contributes to European cohesion. However, this requires an investment strategy agreed at the European level taking account of the subsidiarity principle and the interests and different positions of the Member States.

39. The Bundesrat also regrets the fact that the Commission does not provide any details whatsoever on the subject of funding. Given how road infrastructure is funded in Germany, it is extremely difficult to develop an investment strategy

even for the maintenance of the existing road network at national level. It is completely unclear where the funds for the TEN-T core network – the figure of €1.5 trillion is mentioned – are supposed to come from. With budgets so stretched, it is unlikely that the Member States will be able to come up with this funding. It is therefore unclear how an investment strategy for the development of the TEN-T core network should be devised at European level. The only identifiable strategic approach seen is in the paragraph on private sector engagement under initiative 38. However, no details are given there either.

40. To the extent that the Commission is considering the use of EU project bonds to fund measures in the transport sector, the Bundesrat's response to such a plan would be to take a guarded view. Only the European Investment Bank, national state banks, private banks or consortia including the European Investment Bank, and not other EU institutions, are responsible for issuing bonds of this kind or guarantees. In this context too, the Bundesrat take the view that spending ceilings and debt limits must not be relaxed. It refers to its decision of 17 December 2010 on the Commission communication on the review of the EU budget (see Nummer 32, BR-Drucksache 667/10 (Beschluss)).
41. The Bundesrat will transmit this opinion directly to the Commission.