

The EU's stakeholder consultation on Action on Climate Change Post 2012 **(ACCP 2012)**

A response from the railway and public transport sectors

The International Union of Railways (UIC), the International Association of Public Transport (UITP), the Community of European Railway and Infrastructure Companies (CER), the European Rail Infrastructure Managers (EIM), and the Union of European Railway Industries (UNIFE) welcome the EU initiative "Action on Climate Change Post 2012" and look forward to a continued stakeholder dialogue.

These five organisations are presenting this joint hearing response¹ as they are concerned about the future effects of an increasing climate change to society and environment in general and affecting also the rail and public transport businesses in particular. One example being the economic impact of extreme weather conditions reducing reliability and increasing damage costs to vital rail and public transport infrastructure around Europe.

General recommendations from the railway and public transport sectors for the Post ACCP 2012 stakeholder consultation:

1. Concrete reduction targets have to be defined for the transport sector as a whole and with particular focus on surface transport in order to promote sustainable mobility. The reduction targets should be defined according to the 1990 CO₂-emission levels like the Kyoto Protocol prescribes for other sectors already. Further CBA analyses are needed to create the firm information platform for debate and decisions in this field.
2. The transport sector needs more attention and the different transport modes and stakeholders need a neutral meeting place or a forum hosting constructive dialogues on development and co-operation of sustainable transport systems. Such a forum could play an important role for the transport aspects in the climate change regime. Sustainable mobility incorporates a mix of measures far wider than technological improvements alone, it is planning a sound combination of measures where the advantages of each transport mode are exploited in one joint transport system.
3. The external costs of transport-related greenhouse gasses (GHG) need to be included in the pricing mechanisms for the upcoming CO₂ emission trading system for transport. The European Union and the member states have to support the development towards sustainable mobility by diminishing distortions in the transport market for the benefit of less carbon intensive transport modes, giving the market economic incentives to facilitate the needed modal shift. The first step for governments in this direction would be to internalise the external costs of transport so that the market reflects the true prices of transport.

¹ Please find in addition to this position paper three brochures enclosed: "Railways and Environment" (UIC/CER), "Update study External Costs" (UIC/CER), and "Ticket to the future" (UITP) with examples of good practice and data on the performance of rail and public transport. Additional information is available at www.railway-mobility.org.

The seven key questions from the European Commission for the “EU’s stakeholder consultation on Action on Climate Change Post 2012”

The railway and public transport sectors’ response:

1. Is it important for the EU to continue to show leadership on addressing climate change?

It is important for the EU to continue its leadership on addressing climate change problem and advocating relevant measures addressing all major contributors. The European transport sector causes more than 30% of the European CO₂-emissions and is the sector with the highest growth of greenhouse gas emissions. The existing Kyoto Protocol does not take into account neither international aviation and shipping nor developing countries. This omission would eventually lead to unlimited growth harming the Kyoto as well as any future reduction targets.

EU would be able to benefit in the medium and long-term perspective from the competitive advantage driven by a continued progressive climate protection strategy. The United Nations Framework Convention for Climate Change needs also external governmental support and political pressure to push the range and targets in the global climate change discussion further. This leading role already taken by EU should be continued.

2. On the basis of the EU’s 2°C long-term objective, what objectives should the EU set for global and EU climate change policy (including targets, timeframes and pathways for emission reductions)?

The EU should continue to set concrete reduction targets acknowledging that the Kyoto Protocol is only a first small step in the right direction.

Concrete reduction targets have to be defined for the transport sector as a whole and with particular focus on surface transport in order to promote sustainable mobility. The reduction targets should be defined according to the 1990 CO₂-emission levels like the Kyoto Protocol prescribes for other sectors already. Further cost-benefit analyses are needed to create the firm information platform for debate and decisions in this field.

3. What type and level of participation should the future climate change regime seek from developed countries and developing countries, what should be the timeframe for such participation and what should the contribution from the EU and other countries?

EU should stand out as a good example on how to achieve sustainable mobility in the developed world. Addressing the transport issue in the climate change debate is urgently needed as a top priority – and with additional benefits for the sustainable development agenda outlined in the Rio declaration and further developed in the UN Millennium Goals.

To achieve the necessary progress, decisions taken at UN level and affecting the global climate has to be made mandatory with a view to a sustainable development on local, regional as well as national scale for all economic regions of the world. This also means that the climate change regime has to be anchored at the highest level – both in industry, civil society and at governmental level. Addressing the climate change problems incorporates in particular the relation between economic growth and the need for transport.

Facing in the coming decades a drastic rise in mobility and transport demand in all regions of the world the transport sector will be responsible for serious economic, environmental and social consequences. The developing countries will need special focus. If countries such as China and India adopt the travel pattern of the Western lifestyle new thinking is required to avoid endangering the global climate.

4. Which technological solutions should be allowed or promoted (e.g. renewable energy, nuclear energy, carbon sequestration, carbon capture and storage)?

It is important to harvest the potential benefits of different technologies in all relevant sectors. What is even more important is to use the inherent advantages of different systems. In transport, that means using more intensively railways and public transport as the backbone of any transport system.

New and clean technologies are needed and might to a great extent offer a solution to the emissions caused by transport. In example electrified railways and tramlines can easily adapt to any fossil free energy sources provided that the railways' demand for flexible energy and power is met.

The climate change is affecting both the economic, environmental and social dimension of sustainable mobility. It is however – also in the climate change debate - important to remember that the way towards sustainable mobility is more than solving the climate change challenge. Sustainable mobility also includes answers on challenges such as safety and congestion.

5. Should the future global climate regime maintain the key elements of the Kyoto Protocol, including the Kyoto mechanisms (joint implementation, the clean development mechanism and emissions trading) and what other elements should such regime contain?

In principle the regime should maintain its key elements. In addition it should provide cross-sectored approaches to solve horizontal issues like sustainable mobility. Sustainable mobility incorporates a mix of measures far wider than technological improvements alone, it is planning a sound combination of measures where the advantages of each transport mode are exploited in one joint transport system.

The transport sector needs more attention and the different transport modes and stakeholders need a neutral meeting place or a forum hosting constructive dialogues on development and co-operation of sustainable transport systems. Such a forum could play an important role for the transport aspects in the climate change regime.

6. What are the costs of taking further action on climate change, including competitiveness impacts, and how can/should impacts be addressed?

The costs of taking further actions to reduce climate change will always be evaluated differently by the different stakeholders and depending e.g. on the time scale. According to the polluter pays principle all costs of economic activities should be taken into account. As significant external costs of transport are carried by society as a whole and not by the polluter, the first action must be to address these transport externalities not accounted for².

The development in the transport sector is closely linked to economic growth. To make the development in the transport sector more sustainable it is not enough to trust the market to solve it. The external costs of transport-related greenhouse gases (GHG) need to be included in the pricing mechanisms for the upcoming CO₂ emission trading system for transport.

Governments have to support the development towards sustainable mobility by diminishing distortions in the transport market for the benefit of less carbon intensive transport modes like the railways and public transport, giving the market economic incentives to facilitate the needed modal shift. The first step for governments in this direction would be to internalise the external costs of transport so that the market reflects the true prices of transport.

7. *What are the benefits of taking further action on climate change, including avoided damages, competitiveness impacts and ancillary benefits, and how can/should these be encouraged or optimised?*

The benefits of taking further actions to reduce climate change will – like the costs – always be evaluated differently by the different stakeholders. EU would be able to benefit in the medium and long-term perspective from the competitive advantage driven by a continued progressive climate protection strategy.

For the railways and the public transport it would be of primary focus to enhance the reliability and avoiding increasing damage costs to vital infrastructure systems around Europe. If the railways and public transport are to accommodate a modal shift from road, the reliability and the safety of the infrastructure would become even more crucial for society than today.

² See e.g. "External costs of transport – update study", INFRAS / IWW, published by UIC and CER October 2004