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## Economic Commission for Europe

### Inland Transport Committee

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Item 13 of the provisional agenda

#### Transport developments in the European Union

## Transport developments in the European Union

### Note by the secretariat

#### *Summary*

This note provides the Inland Transport Committee with (i) a brief review of some of the main activities, policy developments and decisions by the European Union (EU) in the course of 2014, relevant for the United Nations Economic Commission for Europe (UNECE); and (ii) information about cooperation between EU and UNECE. It is intended to supplement the oral information provided by the representative of the European Commission at the seventy-seventh session of the Inland Transport Committee. Related UNECE activities are highlighted to show relevance and complementarities between the transport related work of the two institutions.

## I. Introduction

1. The EU transport policies aim at fostering clean, safe and efficient mobility throughout Europe, underpinning the internal market of goods and the right of citizens to travel freely throughout the EU. The main actions – new legislations, consultations, publications, initiatives – carried out by EU during 2014 in the field of inland transport, and also relevant for non-EU countries, are illustrated below.

## II. Transport infrastructure

### A. Launch of the new infrastructure policy of the European Union

2. On 8 January 2014, European Commission announced that the new Innovation and Networks Executive Agency (INEA) would officially begin its operations and manage several of its major funding programmes. INEA is the successor of the TEN-T EA (Trans-European Transport Network Executive Agency, which was created by the European Commission in 2006 to manage the technical and financial implementation of its TEN-T Programme.

3. Executive Agencies of the European Commission put EU policy into action by overseeing programme implementation. They follow EU co-funded projects throughout their lifecycle and provide valuable feedback to the Commission in the process. In addition, they give a wide range of support to the programme beneficiaries and ensure good visibility on the value added of EU funding.

4. Transport is vital to the economy of Europe. Without good transport connections, Europe would not grow or prosper. The new EU infrastructure policy will put in place a powerful European transport network across 28 member States to promote growth and competitiveness. It will connect east with west, north with south and replace today's transport patchwork with a genuine European network.

5. As of December 2013 the European Union possessed a new legislative package that would guide the development of transport infrastructure and transport policy of the Union for the years to come. The package consists of two major elements – the TEN-T guidelines<sup>1</sup> and the Regulation establishing the *Connecting Europe Facility*<sup>2</sup>. The first legal act identifies the existing and planned transport infrastructures of EU importance (the trans-European transport network – TEN-T) along with the necessary standards to ensure interoperability and compatibility of relevant elements. The second act governs EU funding for the period 2014–2020 to develop EU-wide transport networks. It should be emphasised that the available EU funding for the period 2014–2020 has been tripled to €26 billion in comparison with the previous programming period.



6. The new TEN-T has a dual-layer structure. It will consist of a comprehensive network and a core network. The comprehensive network will ensure accessibility and connectivity of all regions in the European Union whereas the core network will consist of those parts of the comprehensive network that are of the highest strategic importance for achieving the objectives for the development of the TEN-T. Increased importance has also been given, in the new TEN-T policy, to the connection between the EU and third countries.

<sup>1</sup> Regulation (EU) No 1315/2013 of the European Parliament and of the Council of 11 December 2013 on Union guidelines for the development of the trans-European transport network and repealing Decision No 661/2010/EU.

<sup>2</sup> Regulation (EU) No 1316/2013 of the European Parliament and of the Council of 11 December 2013 establishing the Connecting Europe Facility, amending Regulation (EU) No 913/2010 and repealing Regulations (EC) No 680/2007 and (EC) No 67/2010.

7. The aim is to ensure the completion of the core network by 2030 and of the comprehensive network by 2050. In order to maximize the results, the highest possible level of coordination for undertaken actions has to be ensured. Therefore, the implementation will be pushed ahead by the establishment of nine core network corridors.

8. The core network corridors are an implementation instrument that will ensure the timely and concerted completion of the core network. The corridor approach is a method of coordination and synchronisation of actions and projects undertaken by various actors involved on a transnational basis. The network benefits are maximized this way. The corridors will also address wider transport policy objectives as facilitation of interoperability and promotion of modal integration in transport operations. For each of the corridors, a designated European Coordinator facilitates the coordinated implementation of the core network corridor.

9. Following the adoption of the legislative package, in March 2014 the European Commission nominated a European Coordinator for each of the nine core network corridors. It has also nominated European Coordinators for two horizontal priorities: the European Rail Traffic Management System and Motorways of the Sea. European Coordinators were chosen on the basis of their knowledge of transport and financing, as well as on their experience of European institutions.

10. Currently, the European Coordinators, assisted by the Corridor Fora grouping, the member States and relevant stakeholders involved, are preparing a detailed analysis of each corridor, in particular the compliance of the existing infrastructure with the TEN-T legal requirements and identification of main bottlenecks and missing links. Then the Corridor Work Plan will be drafted which will identify, inter alia, the existing bottlenecks and missing links along the corridors that particularly hamper cross-border traffic flows. It will also include an action plan and a pipeline of projects, aiming to enhance the overall functioning of the corridors.

11. On the policy's financial side, the European Commission recently began implementing the Connecting Europe Facility (CEF). The action will be concentrated on those components of the infrastructure that present the highest European value added: cross-border sections, missing links, multimodal connecting points, major bottlenecks and promotion of interoperability. CEF investments are programmed via annual and multi-annual work programmes, which specify the set of priorities and the total amount of financial support to be committed for each of these priorities in a given year. The first work programmes, with 12 billion € of resources, were adopted in March 2014.<sup>3</sup>

12. The first calls for proposals under the CEF have been launched in September 2014; further calls are to follow in the coming years. It is estimated that the level of investment needed for the core network for 2014–2020 amounts to €250 billion. Therefore, the Commission will make sure that only the best projects with highest EU added value receive EU funding, and it will seek a combination between the CEF and other relevant EU instruments, notably the European Structural and Investment Funds, "Horizon 2020" (the funding instrument in the field of research and innovation) as well as the Instrument for Pre-Accession and the European Neighbourhood Instrument.

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<sup>3</sup> Commission Implementing Decision of 26.3.2014 establishing a Multi-Annual Work Programme 2014 for financial assistance in the field of Connecting Europe Facility (CEF) - Transport sector for the period 2014-2020, C(2014) 1921 final.

Commission Implementing Decision of 26.3.2014 establishing an Annual Work Programme 2014 for financial assistance in the field of Connecting Europe Facility (CEF) - Transport sector, C(2014) 1919 final.

13. Eighty to eighty-five per cent of the €26 billion for the next CEF financial period 2014–2020 will be used to support:

(a) Projects along the nine corridors on the core network that have been pre-identified in part I of the Annex to the CEF Regulation. The above-mentioned bulk of the funding will also be available for a limited number of other sections projects with high European added value on the core network pre-identified in the same way;

(b) Horizontal projects — mostly IT related — such as funding for the technological dimension of the Single European Sky Air Traffic Management System (SESAR), or the European Rail Traffic Management System (ERTMS) which must be used throughout the major transport corridors.

14. The remaining funds (15–20 per cent) can be made available for other projects of common interest, including for a limited number projects on the comprehensive network (up to 5 per cent of the CEF financial envelope). This includes a 40 million € envelope for projects to connect the trans-European transport network with infrastructure networks of neighbouring countries.

15. Further information on the development of the implementation of the EU transport infrastructure policy is available at EU website: [http://ec.europa.eu/transport/themes/infrastructure/index\\_en.htm](http://ec.europa.eu/transport/themes/infrastructure/index_en.htm).

### **III. Road Transport**

#### **A. Improve road haulage rules for industry, drivers and the environment**

16. The European Commission called for simplification and clarification of EU rules on road haulage following the publication (April 2014) of a report on integrating the internal markets for road transport. The report concluded that while some progress has been made, removing the remaining restrictions would help the European economy and improve the environment.

17. On any given day, almost a quarter of all trucks on Europe's roads are empty, either on their way home or between loads. Opening national road transport markets to more competition would help reduce empty runs and increase efficiency in the sector, according to the report.

18. The main findings of the report are:

(a) The enforcement authorities of member States must step up their efforts in enforcing existing legislation more effectively and consistently.

(b) The Commission / EU can clarify rules that are understood, interpreted or implemented differently by different member States.

(c) Social rules must be better applied in road transport if the sector is to attract new drivers, and be able to handle the expected future demand for freight transport.

(d) The EU has an opportunity to improve the efficiency of its economy and reduce greenhouse gas emissions from transport.

## 19. Facts and Figures:

(a) Road transport moves almost three-quarters (72 per cent) of goods for inland transport in the EU, with an annual turnover of €300 billion and accounts for some 2 per cent of EU GDP.

(b) Land transport, of which road transport is part, is the only mode of transport in which labour productivity has dropped since 2001 (-0.2 per cent).

(c) National transport accounts for 67 per cent of road transport in the EU. However, access by foreign hauliers to national markets remains very limited.

(d) Heavy goods vehicles often run empty: 20 per cent of all trucks in the EU run empty. In national transport the rate rises to 25 per cent.

(e) There are about 600,000 companies, a very large share of them SMEs, in the road transport sector, which employ close to 3 million people.

(f) Road transport faces driver shortages in the near future. Drivers are an ageing population and road transport is not considered an attractive profession. Working conditions are perceived to be difficult, and member States do not implement social provisions consistently.

(g) According to a recent study by the European Parliament<sup>4</sup>, the cost of the remaining restrictions to cabotage is around €50 million per year.

(h) Removing the restrictions to cabotage would help to reduce empty running by making it easier for hauliers to combine loads and utilize return trips.

(i) Removing the restrictions would also allow the optimization of fleet management, thereby increasing the overall logistics efficiency of the EU economy. This would help to keep the EU attractive as a location for manufacturing and trade.

## B. Report on the state of the Road Haulage Market in the European Union

### 1. Introduction

20. This report<sup>5</sup> (adopted in April 2014) provides a detailed description of the structure, trends and factors that underline the current Road Haulage Market in Europe.

### 2. Market Situation

21. The European road freight sector experienced spectacular growth between 1995 and 2007, with activity as measured by tonne km almost tripling within that period. Growth was faster in the EU-12 compared to the EU-15, although the vast majority of activity in road transport is still in Western Europe.

22. The economic crisis of 2007–2008 precipitated a sharp decline in activity that brought the road haulage sector into a situation of overcapacity. There was 2 per cent fall in



<sup>4</sup> Mapping the Cost of Non-Europe, 2014-19. European Added Value Unit, European Parliament, March 2014; <http://www.europarl.europa.eu/the-secretary-general/resource/static/files/files/mapping-the-cost-of-non-europe--march-2014-.pdf>.

<sup>5</sup> Report from the Commission to the European Parliament and the Council on the State of the Union Road Transport Market, COM(2014)222 of 14.4.2014.

2008 and another 10 per cent drop in 2009 as measured in tonne kms. In general, the road freight industry is now a demanding environment across the EU due to such factors as rising fuel prices, disparate cost structures and rising customer power in contracting. In 2010, road freight transport activity in Europe recovered by a slight 3 per cent. Nevertheless activity in the EU is still estimated to be about 9 per cent below 2007–2008 levels.

23. Recovery has not been uniform, as the last few years have seen a significant difference in hauliers within EU-15 compared to those of EU-12. EU-15 hauliers were on average still 13 per cent below 2007 levels in 2010, but their EU-12 colleagues were on average already 8 per cent above pre-crisis levels by 2010.

24. The largest market segments within the EU are the national (i.e. transport that does not cross borders) with goods moved by domestic hauliers. National markets (that exclude cabotage undertaken within that country) account for 67 per cent of all road freight transport in the EU. The EU-15 proportion is 78 per cent; the national markets of Germany, France, Spain, Italy and the United Kingdom of Great Britain and Northern Ireland account for 80 per cent of all national markets within the EU. Not surprisingly, the protection of these markets from foreign competition that seeks market access by cabotage is a key concern for many domestic hauliers in these countries.

### 3. Legislation

25. A comprehensive set of EU wide legislation controls the quality and safety of the international road haulage market, impacting both on access to the market and operational standards. There are important stakeholders in the road haulage ‘chain of command’ that fall to the margins of the scope of much of the regulatory framework, notably the freight forwarding community. These entities manage and profit from haulage activity, frequently without having mandated liability for standards or safety and thus could be viewed as distorting the market. While this must have a bearing on market conditions, there is general consensus that both legislation and self-regulation should be used to manage the quality aspects of the supply chain.

26. Shippers and forwarders in particular have spoken out against over regulation, arguing that market forces are the key to improving quality and conditions in road transport services.

### 4. Enforcement

27. While the overall number of checks by enforcement agencies on the haulage industry across the EU does appear to be increasing, there are considerable differences between member States in the frequency of checks and in the severity of the penalties imposed for infringements. The large number of agencies across the member States and the varying levels of activity would seem to be a large factor in this issue. Different levels of penalties and different interpretations of legislation may be significant barriers to the creation of a fair and level ‘playing field’ for all operators.

28. To overcome this barrier, the Commission has proposed to harmonize and enhance enforcement policies to ensure that hauliers are subject to standard checks for infringements. It is the view of the Commission that sanctions for infringements should be proportionate, non-discriminatory and be effective. Not only are the different fines levied against hauliers from one member State to the next but the authorities are pursuing enforcement by employing different methods. Some



member States actively target particular segments of the road haulage market such as foreign operators.

29. To harmonize enforcement, the Commission advocates standardized training of enforcement officers across member States in order to facilitate a standardized application of the legislation. The Commission also advocates the exchange and distribution of information more systematically across enforcement agencies. The European Registers of Road Transport Undertakings (ERRU) and national registers should be used by member States to better target checks at operator's premises. Existing rate systems also serve the purpose (currently for social rules and tachograph provisions) of targeting checks on companies with higher risk ratings, resulting from infringements committed/detected. The overall aim of this initiative is to ensure that inspections are quickly targeted and reduce administrative burdens. Recent reports show improvements in enforcement in data collection and reporting discipline. Other improvements include the application of the rules by professional drivers and transport undertakings.

### **C. Interbus**

30. In December 2014, the Council of the European Union decided to give the Commission a mandate to start negotiations to extend the scope of the Interbus Agreement on the international occasional carriage of passengers by coach and bus to also cover international regular bus and coach lines between the Contracting Parties.

## **IV. Rail Transport**

### **A. Some European Union facts and figures on rail transport**

31. Following a long period of decline from 2000, rail has increased passenger and freight volumes transported and stabilized its modal share (11 per cent for freight and 6 per cent for passenger transport). The rapid fall in rail employment also slowed down before the onset of the crisis, since job incumbent losses have been partly offset by job creation in new railway and service companies. Safety also improved significantly (with 62 passenger fatalities in 2010, compared to 31,000 on EU roads).

### **B. The role of regulators**

32. Consistent enforcement of economic legislation will support competition and market orientation in the sector. Strong and independent regulators have a key role in ensuring legislation enforcement. National regulators should, therefore, be further strengthened. Directive 2012/34/EU contains a number of provisions designed to meet this objective, i.e. extension of competencies and increased independence requirements. These provisions should now be implemented by member States (deadline June 2015).

33. Moreover, Directive 2012/34/EU brought a series of provisions aiming at ensuring cooperation among regulatory bodies in order to guarantee the most effective and consistent enforcement of the provisions on access to the railway market throughout the EU. Multilateral cooperation includes regular



meetings to exchange information about decision-making practices, main issues if procedures and problems of transposing Union law in the context of the European network of rail regulatory bodies, which convenes three times per year. Moreover, regulators have taken measures to ensure efficient cooperation in the context of rail freight corridors (e.g. cooperation agreement between regulatory bodies along a corridor). Also, a considerable number of EU rail regulators in the independent rail regulators group jointly monitor market activities.

### **C. Shift2Rail**

34. "Shift2Rail" is an ambitious public-private partnership which will manage a seven-year programme on targeted research and innovation to support the development of improved rail services in Europe. It will develop and accelerate the arrival on the market of technological breakthroughs.

35. With "Shift2Rail", the Commission more than tripled its finances for rail research and innovation to €450 million (2014-2020) compared to €155 million for the previous period. This will be matched by €470 million from the rail industry. The net gains of this long term collaborative approach substantially boost innovation in the rail industry, compared to previous co-funding of individual projects.

36. Shift2Rail aims to reduce up to 50 per cent in the life-cycle cost of railway transport (i.e. costs of building, operating, maintaining and renewing infrastructure and rolling stock); aims to increase the capacity up to 100 per cent; and to increase the overall reliability up to 50 per cent in the different rail market segments.

37. The research and innovation will focus on five key areas:

- Improve the quality of services: focus on developing a new generation of high capacity trains which are cost-efficient and reliable;
- Increase the capacity and increase the number trains running on the same lines: develop better intelligent traffic management and control systems;
- Provide reliable, high quality infrastructure: including reduced track noise, cutting costs and developing intelligent maintenance;
- Provide integrated ticketing and journey planners: develop innovative IT solutions and services;
- Allow rail to compete effectively in more markets: develop better logistics and inter-modal freight solutions, so rail can connect better with other forms of transport.

38. The joint rail undertaking, Shift2Rail, will allow a merging of public and private resources to focus on research activities that are critical for the Single European Railway Area and that support the competitiveness of the rail sector as a whole, creating jobs and boosting exports.

### **D. Investments needs and projects to be financed by grants under the Connecting Europe Facility**

39. Rail projects will receive between 80 and 85 per cent of the €31.7Billion of funds under the CEF. In the Annex of the CEF Regulation, the Corridors of the Core Network are based on the European Rail freight corridors and include mostly rail projects. The wide majority of projects of the Core Network that are not part of the Corridors are rail projects. ERTMS is one of the horizontal priorities covered by the CEF Annex. The projects were



identified on the basis of the portfolio of the member States in discussions with the Commission services.

40. CEF will be provide financial grants to rail projects of the Core Network, multimodal platforms, projects that reduce rail freight noise by retrofitting of rolling stock, the greening of freight services and the rail connections to ports and airports.

41. The co-funding rates for bottlenecks and cross-border rail projects have been increased by 30 and 40 per cent, respectively. These projects are the most complex and difficult to realise in the TEN-T network.

## **E. Rail, financial instruments and PPPs**

42. In the context of a scarce public budget and in the context of the Action for Growth and Stability, alternatives to public grants are needed to finance major projects. CEF allows the combining of grants (from the CEF, Cohesion Fund or other public sources) with CEF financial instruments, which can ease the financing of railway projects. CEF and ESIF synergies should be maximised.

43. CEF envisaged €1billion for innovative financing in transport. Although this is not a common way of structuring projects in the rail sector, PPPs or other financial schemes combining private finance for public operation projects may prove useful in the case of specific railway projects, for instance:

- PPPs on high-speed lines with revenues coming from traffic fares. The largest European infrastructure project of this kind is currently the Tours–Bordeaux in France. The investments costs over €7billion. and have been restructured as a PPP, combining grants from the national budget and EU financial instruments to secure commercial bank financing.
- Dedicated rail lines to connect airports to city centres: The Arlanda Express (Stockholm) was structured as a concession, the Charles de Gaulle airport Express (Paris) could be structured as a PPP.
- Deployment of electrification or traffic management systems along an existing or new rail line: used on the Alicante – Albacete high-speed line (Spain), and is a considered option for financing the electrification and signalization of major projects such as the Lyon – Turin or the Brenner base tunnels.

44. In addition, CEF will also offer financial instruments to support cooperation. These instruments could be used by Railway infrastructure owners.

## **F. The fourth Railway Package**

45. The fourth Railway Package consists of six legislative proposals, conventionally grouped under the 'technical pillar' and the 'market pillar'.

46. The technical pillar includes:

- A proposal for a recast of the Interoperability Directive 2008/57;
- A proposal for a recast of the Safety Directive 2004/49;
- A proposal for a recast of the Regulation on the European Railway Agency (EC)881/2004.

47. The market pillar includes:

- A proposal to amend Directive 2012/34 (recast) establishing a Single European Railway Area for the opening of the market for domestic passenger transport services by rail and the governance of the railway infrastructure;
  - A proposal to amend Regulation 1370/2007 on the opening of the market for domestic passenger transport services by rail;
  - A proposal to repeal Regulation 1192/69 on the normalization of accounts of railway undertakings. This is an obsolete Regulation designed to compensate certain railway undertakings for a number of public service obligations. The Regulation become incompatible with the State aid rules and creates discrimination between railway undertakings, as only a few individually designated undertakings are entitled to support. Most of the support can be granted through other legal instruments.
48. The following challenges remain for a complete Single European Rail Area:
- interoperability is not fully guaranteed, technical and safety rules are unnecessarily complex and procedures costly;
  - infrastructure management is not optimised and infrastructure managers do not have the autonomy required to ensure fair access to the infrastructure;
  - only freight services and international passengers services are open to competition, a large part of domestic rail markets remains in national monopolies.
  - Public service contracts for rail transport can be directly awarded without ensuring transparency and non-discrimination.
49. The fourth Railway Package proposes to:
- remove the remaining administrative and technical barriers, in particular, by establishing a common approach to safety and interoperability rules and extending the competences of the European Railway Agency.
  - open the domestic rail passenger market to competition, including the mandatory competitive tendering of public service contracts for passenger services.
  - reinforce the independence of infrastructure managers in order to ensure fair and non-discriminatory access of newcomers to rail infrastructure. This is particularly relevant where infrastructure managers are part of vertically integrated undertakings.
50. The two pillars are at different stages of the legislative procedure. In February 2014, the EP adopted a position in first reading on all six proposals, thus preserving the 'package approach'. The Council has followed a sequential approach starting with the technical pillar. Significant progress of this part of the package resulted in a political agreement at the Council in June 2014.

## **V. Inland Waterways**

### **A. Evaluation of Directives on the initiative of recognition and modernization of professional qualifications in inland navigation (Directives 91/672/EEC and 95/50/EC).**

51. These are (a) Council Directive 91/672/EEC of 16 December 1991 on the reciprocal recognition of national boatmasters' certificates for the carriage of goods and passengers by inland waterway, and (b) Council Directive 96/50/EC of 23 July 1996 on the harmonization of the conditions for obtaining national boat masters' certificates for the carriage of goods and passengers by inland waterway in the Community.

52. The purpose of the evaluation was to learn from the experience of Directives 91/672/EEC and 96/50/EC; and to improve the quality of the Commission's future interventions, notably on the preparation of a possible new EU legal instrument on the recognition and modernization of professional qualifications in inland navigation.

### 1. Effectiveness

53. The evaluation on effectiveness concluded that both Directives have been partially effective in responding to their objectives on reciprocal recognition (91/672/EEC) and harmonization of conditions (96/50/EC). Some barriers remain, preventing further or full harmonization:



- (a) Exemption of the waterways applying the Rhine Navigation Licenses;
- (b) Different national rules and regulations and the existence of local knowledge requirements;
- (c) Exemption of waterways on which Rhine navigation licenses apply.

### 2. Local Knowledge Requirements

54. Local Knowledge Requirements (LKR) increase safety in inland navigation. At the same time, the implementation of LKR regimes negatively affects labour mobility. In a trade-off between labour mobility and safety, safety generally prevails. Three specific aspects of LKRs affect labour mobility: (i) difficulties related to the examination of LKR (in particular the issue of language); (ii) the grounds on which LKR situations are defined; and (iii) professional knowledge and experience required to obtain a LKR certificate.

### 3. Exemption for boatmasters operating exclusively on national waterways

55. Member States make use of the exemption for boatmasters that operate exclusively on national waterways not linked to the navigable network of another member State. The evaluator is of the opinion that the exemption does not affect free navigation in the European Union.

### 4. Education and training standards

56. Countries have, unilaterally, translated minimum professional requirements into education and training standards on the basis of national insights. This results in differences in the organization of training and education. Education groups on inland navigation networks and several other parties have developed the Standards of Training and Certification in Inland Navigation in a Joint Working Group. Standardized training would improve the quality of workers in inland navigation, facilitate labour mobility and improve safety.

### 5. Conclusions

57. The study concluded that the two Directives have been partially effective in responding to their objectives of reciprocal recognition of boatmasters' certificates and harmonization of conditions for obtaining boatmasters' certificates.

58. At almost two decades of age, the scope and contents of the Directives are not fully adapted to the current context of the inland navigation sector. With EU enlargement and the

development of a Trans-European Transport Network, inland navigation policy increasingly requires an integrated European perspective.

59. The limited scope of the Directives has created an environment in which the Central Commission for the Navigation of the Rhine (CCNR) has initiated the process of establishing mutual recognition through bilateral and multilateral agreements. This process of mutual recognition has been partly effective in recognising boatmasters' certificates and Service Record Books on the Rhine. The process led to a more harmonized system and improved access to the Rhine. However, barriers remain for non-signatories to the mutual recognition agreements. From a European perspective, the system of mutual recognition also has its limitations as it provides only partial geographical coverage of Europe. In other words, this results in a dual system, comprised of a system for the Rhine (and countries participating in the agreements with CCNR) and another system for other European member States.

60. The evaluation findings suggest several courses of action for modernising and streamlining the professional qualifications in inland water transport:

(a) The process of mutual recognition through multilateral and bilateral agreements initiated by the CCNR is a first transitional step which could facilitate the process of introducing unique minimum requirements for all member States. Such requirements would also overcome some of the limitations of the current dual system.

(b) Coverage of professional workers should be extended to all crew members and thus extend the benefits of improved labour mobility and safety beyond the profession of boatmaster.

(c) Re-evaluate the professional qualifications by basing the process of mutual recognition on an assessment of competences of boatmasters and crew members.

(d) Modernize professional qualifications by introducing electronic tools.

(e) Maintain a degree of flexibility for the member States to deviate at a national level in certain areas from common provisions, as foreseen in Directive 96/50/EC.

## **B. European Commission proposes Rules for the Working Times of Inland Waterway Workers based on a social partner agreement**

61. In July 2014, the European Commission presented a proposal setting specific rules on working time for the inland waterway transport sector. This proposal would implement the agreement reached by EU-level representatives of employers and employees in this sector.

62. The agreement sets minimum rules on working time for passenger or cargo transport ships in inland navigation across the EU. These rules would apply to crew members and shipboard personnel and would complement the general working time Directive, which does not cover inland waterway workers.

63. If agreed on by the Council as a Directive, this proposal will contribute to improving the working conditions for 31,000 crew members and shipboard personnel and contribute to fair competitive conditions for the 9,645 enterprises active in this sector.

64. In the proposal:

(a) total working time could not exceed 48 hours per week, though this could be averaged over up to 12 months;

- (b) total night working time could not exceed 42 hours per week;
- (c) workers would be entitled to at least four weeks paid annual leave, and to paid annual health checks;
- (d) workers would be entitled to at least 10 hours rest every day (with at least six hours uninterrupted) and to at least 84 hours' rest in total every week.

## VI. Road Safety

### A. European Road Safety Day

65. The European Commission, in cooperation with the Greek EU Presidency, hosted the European Road Safety Day in Athens on 9 May 2014. This one-day conference, centred around the theme 'Safe and smart infrastructure', brought together road safety experts, stakeholders and decision-makers and gave them the opportunity to share knowledge and discuss ways to continue improving European road safety.

66. Safety efforts for European infrastructure have so far primarily focused on the motorways. That work has paid off. Today, only seven per cent of all road fatalities in the EU occur on motorways, in spite of the large traffic volumes and high speeds.



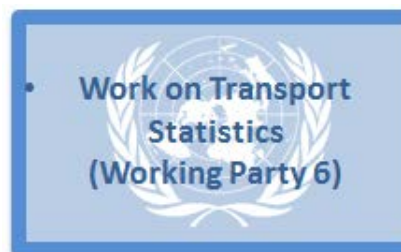
67. A discussion at the European Road Safety Day centred on the spread of benefits of the safer motorways to the inter-urban road network where most fatal accidents occur today. The conference also discussed what can be done to roll out more of the intelligent transport systems with great road safety potential, such as real-time warnings about dangerous road conditions and eCall.

68. One of the success stories of making EU motorways safer is the adoption of certain basic safety principles for the management of roads on the trans-European road transport network (Directive 2008/96/EC): safety inspections, mapping of the most dangerous road stretches and safety impact assessments before the building of new roads. The underlying principle is that no tax-payer money should be spent on building roads that are unsafe.

69. To focus on safe road infrastructure is also an important aspect of the "Safe System" approach that is widely applied in the EU. The Safe System admits that even the best road user can make mistakes. The road user is responsible for their road behaviour, but the infrastructure manager is responsible for making the roadsides safe. If a crash cannot be avoided, at least the road environment should be designed to minimise the damage.

70. Main conclusions:

(a) The EU infrastructure safety management Directive 2008/96/EC and the Safe System approach provide useful sets of principles that should be applied more broadly.



(b) Road user behaviour is a key factor in road traffic and should be addressed by e.g. enforcement of rules, driver education, road design and ITS applications.

(c) Protecting vulnerable road users should be a priority in order to decrease the fatalities among them by the same rate as car driver fatalities.

(d) Urban areas have the least road safety progress; the intelligent transport systems and smart in-vehicle safety systems can be of particular use to counter this trend.

**B. Going abroad**

71. What is the speed limit on Spanish motorways? Do I need to wear a helmet when I cycle in Sweden? What safety equipment must I always have in the car when driving in Slovakia? From now on, holiday makers do not need to spend a lot of time searching for this information. They can have it on hand wherever they are with the European Commission's new smartphone application "Going Abroad". The application covers information on all topics that carry the biggest risk for accidents, including speed and alcohol limits, traffic lights, and the use of mobile phones. It also informs users about obligations to wear seat belts in cars and safety helmets on bikes and motorbikes.

72. Its release just before the start of the summer holidays is timely because July and August are the deadliest road traffic months with on average some 50 per cent more road deaths than in the "safest" month, February.

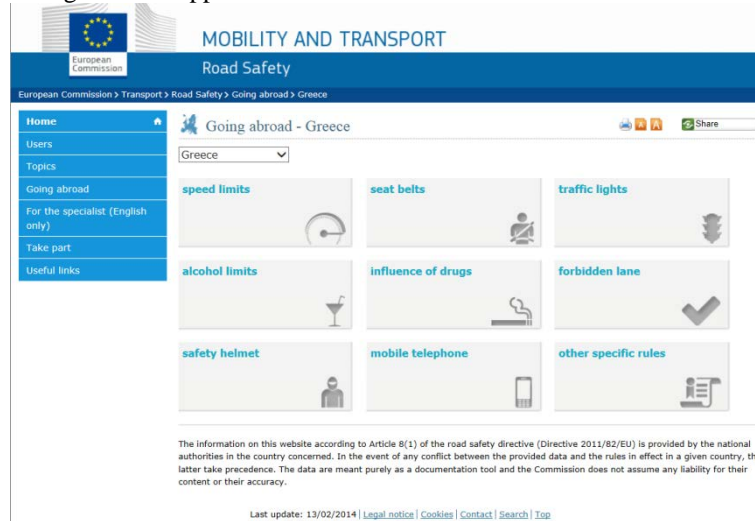
73. Road safety work in the EU has made great progress over recent years. Between 2001 and 2010, the number of fatalities on EU roads was reduced by a total of 43 per cent. Between 2010 and 2013, it was reduced by a further 17 per cent.

74. The strategic target is to halve road deaths between 2010 and 2020 and also start focusing EU efforts on reducing serious road traffic injuries. The new road safety information

application is one contribution among many other road safety initiatives at EU level.

75. The application is available for the iPhone and iPad, Google Android and Microsoft Windows phones in 22 languages. Apart from all important road safety information

Going Abroad Application



Source: EU

for all EU countries, the application also contains a road safety quiz and a memory game to entertain passengers during long car journeys. Of course the application should never be checked while driving – drivers should let the passengers do the job or take breaks from driving to stay both rested and well-informed.

**C. Revised rules on periodic roadworthiness testing**

76. Vehicle checks are fundamental to road safety. More than five people die on EU roads every day in accidents linked to technical failure. Therefore, on 3 April 2014 the EU adopted new rules to toughen up the testing regime and widen its scope. The new directives replace existing EU rules setting minimum standards for vehicle checks which date back to

1977, with only minor updates. Cars, driver behaviour and technology have developed a lot since then. The new rules aim to avoid the more than 36,000 accidents a year linked to technical failure.

77. The three directives that were adopted in April 2014 are: Directive 2014/45/EU on periodic roadworthiness tests, Directive 2014/47/EU on technical roadside inspections for commercial vehicles and Directive 2014/46/EU on vehicle registration documents.

78. Key elements of the new directives include: Improving the quality of vehicle tests by setting common minimum standards for equipment, training of inspectors and assessment of deficiencies, Control of cargo securing during roadside inspections of goods vehicles above 3,5 tones. Rendering electronic safety components (such as ABS, ESC and air-bag) subject to mandatory testing, Clamping down on mileage fraud with registered mileage readings, and compulsory EU wide testing for heavy motorbikes unless a member State reaches equivalent road safety enhancement by other measures. Motorbike riders are the highest risk group of road users. In all cases, the directives set common EU wide minimum standards for vehicle checks with member States free to go further if appropriate.

## **VII. Continuity of passenger mobility following disruption of the transport system**

79. Current challenges such as increasing demand for transport, rising oil prices, growing congestion and impending climate change require the creation of a fully integrated, modern and reliable transport network. This network must be capable of exploiting the strengths of each transport mode individually and in combination with others. Moreover, the increase in mobility, with passengers using different modes of transport during their journeys, is also a trend that will require a more integrated multi-modal approach to handling transport disruption. In this context, taking into account the progress already achieved since 2010, the Commission services do not consider that there is a need, at this stage, for a specific new legislative initiative at the European level to further address the mobility continuity of passengers following disruption of the transport system.

80. However, the issue of mobility continuity should be taken into consideration in all modes of transport when revising existing EU transport legislation or adopting new proposals. A similar approach should also be considered by the member States. The industry should also take this into consideration when adopting voluntary practices or cross-modal agreements.

81. Particular attention should be paid to the following objectives:

(a) To progress further with setting up, through the Trans-European Transport Networks (TEN-T) policy, an integrated core transport network across the 28 member States that will be better prepared for and more resilient to unforeseen transport disruption. Attention should be given to contingency planning and crisis response in core intermodal nodes of the network, such as Europe's largest cities.

(b) To make full use of the potential of modern information technologies to provide passengers, public authorities and the industry with the tools to better manage travel and traffic information in the context of multi-modal transport disruption.

(c) To further encourage increased cooperation between the transport actors, at industry or administrative level, with a view to improving preparedness for and response to major disruptions affecting several modes of transport.

(d) To consider including new provisions when revising existing EU transport legislation or adopting new proposals obliging operators to have contingency plans in place

to provide practical assistance for passengers' immediate needs following transport disruption and to offer them alternative transport services should the transport disruption last more than a few hours.

(e) To explore a more multimodal approach to passenger rights, which are still being addressed in a fragmented way today, with the objective to better protect passengers through more uniform and efficient rules and mechanisms.

## VIII. Reduce Oil Dependence and Fight Against Climate Change

### A. Clean transport – European Parliament and Council adopt "milestone" in the roll out of clean fuels for transport

82. On 22 October 2014 the European Parliament and the Council formally adopted Directive 2014/94/EU on the deployment of alternative fuels infrastructure. The Directive aims at ensuring the build-up of recharging and refuelling points for alternative fuels across Europe with common standards for their design and use, including a common plug for recharging electric vehicles. With these new rules, the EU provides the long-awaited legal certainty for companies to start investing, and the possibility for economies of scale.

83. Clean fuel is being held back by three main barriers: the high cost of vehicles, a low level of consumer acceptance, and the lack of recharging and refuelling stations. It is a vicious circle. With this new Directive, member States will have to develop the right national policy frameworks.

84. The main measures agreed are:

(a) Minimum levels of infrastructure across the EU. A requirement on member States to submit to the Commission national policy frameworks for minimum levels of infrastructure – refuelling and recharging stations – for alternative fuels such as electricity and CNG for cars, LNG for heavy-duty vehicles, inland barges and maritime ships, shore-side electricity, and, on a voluntary basis, hydrogen for cars.

The national targets and objectives will be published by the Commission. There is also a review mechanism in the Directive to allow the Commission to assess if national targets are sufficient to deliver a critical mass of infrastructure or if mandatory targets at the EU level – as had been originally proposed by the Commission – will be needed. The Commission will issue guidance to member States for the preparation of their national policy frameworks, and assess their coherence at Union level.

(b) EU-wide standards for the infrastructure. Common EU wide standards are essential for the development of these fuels. The Directive requires the use of common plugs for electric vehicles and standardized refuelling equipment for hydrogen and natural gas as well as the development of future standards for wireless recharging points, battery swapping technology and standardized plugs for buses and motorcycles. The Commission will adopt a standardization request to European Standardization Organizations to work on the standardization needs derived from the Directive.

(c) Clear information to facilitate use - including on the recharging and refuelling stations themselves through labelling, as well as comparison of prices for the different clean and conventional fuels based on a methodology to be developed by the Commission.





## **B. Promote the development of harmonized carbon foot printing measures for both freight and passenger transport services in Europe**

85. Carbon foot printing is a method to generate data about the greenhouse gas (GHG) emissions of transport operations on an aggregated level of a company, or more detailed, on the level of a trip and service, like the delivery of a parcel. Many initiatives, both at the EU and global level, have been deployed for identifying carbon footprints of transport services. Also several tools are available for comparing various transport modes on the GHG emissions. However, at the moment there exists no universally accepted definition of the concept of a carbon footprint. Existing methodologies and tools for measuring the carbon footprint show manifold divergences and inconsistencies between them.

86. The availability of carbon footprints of transport services that are based on a common methodology and the increased use of carbon foot printing by the industry may improve the GHG performance of the transport sector. In order to contribute to the harmonization of carbon foot printing measurement for both freight and passenger transport services in Europe, the Commission launched a study supporting the assessment of impacts for possible actions to be undertaken at the EU level.

## **C. Update of the Handbook on external costs of transport (January 2014)**

87. The Handbook on external costs of transport outlines the methodology for estimation of marginal external costs which can serve as a basis for future calculations of infrastructure charges.

88. The updated Handbook continues to present the state of the art and best practice on external cost estimation. In comparison to the 2008 Handbook, it takes into account new developments and progress in the following fields:

- (a) Large new databases on noise, accidents and emission factors;
- (b) New and updated models;
- (c) Updated estimates of important input parameters;
- (d) Research identifying additional health effects;
- (e) Case studies and marginal cost calculations.

89. The 2014 Handbook also integrates infrastructure costs – previously tackled in a separate report –and provides updated and more detailed country and area specific estimates of marginal external cost estimates.

# **IX. Intelligent Transport Systems**

## **A. Providing EU-wide real-time traffic information services under Directive 2010/40/EU (the "ITS Directive")**

90. The Commission organized a public consultation from 20/12/2013 to 14/03/2014 on the provision of EU-wide real-time traffic information services under Directive 2010/40/EU. The Commission was in particular seeking views on the extent of the problem with existing services; assessment of the scope for improvement; relevance and impacts of proposed options.

91. The results of this consultation would feed in into an ongoing cost-benefit analysis, with a view of a possible proposal of the Commission for specifications under Directive 2010/40/EU (the "ITS Directive") which would address the issue of provision of EU-wide real-time traffic information services.



92. Real-time traffic information services aim to provide road users with useful, accurate and up-to-date information on the road network, traffic circulation plans, traffic regulations (such as speed limits and access restrictions), recommended driving routes and real-time traffic data including estimated travel times, information about congestion, accidents, road works and road closures, weather conditions, and other relevant safety-related information (e.g. the presence of animal, people or debris on the road). Additionally, real-time traffic information services can potentially include any other information considered relevant to the planning and the execution of the trip.

93. The users of real-time traffic information fall into three main categories:

- (a) the most numerous user group is road users including private motorists, commercial road transport operators and users of public transport services who want to optimise their transport activities;
- (b) transport infrastructure managers, road operators and traffic managers use real-time traffic information to optimise the utilization of transport infrastructure they are responsible for and also aim to provide a better user experience for road users;
- (c) ITS service providers who use real-time traffic information to provide value-added services to their own customers.

## **B. Reports on the implementation of the ITS Directive and Action Plan**

94. The European Commission had released on 21 October 2014 a report to the European Parliament and the Council on the implementation of Directive 2010/40/EU. This report is accompanied by a Commission Staff Working Document on the progress and review of the ITS action plan, and by a Commission Staff Working Document on the analysis of the member States reports.

95. According to Article 17(4) of the ITS Directive, the Commission must submit a report every three years to the European Parliament and to the Council on the progress made in the implementation of the Directive. It is to be accompanied by an analysis of the functioning and implementation of Articles 5 to 11 and Article 16, including the financial resources used and needed. The report must also assess the need to amend the Directive, where appropriate. In addition, Article 12(1) of this Directive requires the Commission to make a report in respect of the delegated powers no later than six months before the end of a five-year period following 27 August 2010.

96. So far, the ITS Directive has been an efficient tool for the rapid adoption of common specifications for the first three priority actions.

97. The work on the specifications for the remaining two priority actions (EU-wide real-time traffic information and EU-wide multimodal travel information services) will be dealt with before the end of the working programme in 2015. Regarding reservation services for safe and secure parking places for trucks and commercial vehicles, no further action in the near future is needed.

98. Taking into account the emergence of new long-term trends also mentioned in the Commission Staff Working Document on the progress report and review of the ITS Action Plan (e.g. use of crowd-sourcing for transport data, partly automated driving, deployment of cooperative systems) and the possible necessity to set up new priorities beyond the six currently defined priority actions and four priority areas, over and above the important elements listed in Annex I to the ITS Directive, it seems necessary as a first step to prioritise the remaining actions to be addressed in the current scope of the ITS Directive and ITS Action Plan. In a second phase, it will be necessary to reflect on, and start preparing work for a possible revision of the ITS Directive and of the supporting ITS Action Plan, taking into account the constant technical evolution of ITS and building also on the conclusions of the Commission Staff Working Document on the progress report and review of the ITS Action Plan.

## **X. Publications**

### **A. European Commission publishes first EU Transport Scoreboard**

99. The European Commission has published for the first time a scoreboard on transport in the EU. It compares member State performance in 22 transport-related categories and highlights for most of these categories the five top and bottom performers. The Netherlands and Germany top the scoreboard with high scores in eleven categories, followed by Sweden, the United Kingdom of Great Britain and Northern Ireland and Denmark.

100. The aim of this first EU Transport Scoreboard is to give a snapshot of the diversity of member State performance in transport matters across Europe and to help member States identify shortcomings and define priorities for investment and policies. It brings together data from a variety of sources (such as Eurostat, the European Environment Agency, the World Bank and the OECD). The Commission's intention is to refine the indicators in the years to come, in dialogue with member States, industry and other stakeholders, and to track member State progress over time.

101. The scoreboard can be consulted either by mode of transport (road, rail, waterborne, air) or by one of the following categories:

- (a) Single market (access to market, regulation);
- (b) Infrastructure;
- (c) Environmental impact;
- (d) Safety;
- (e) Transposition of EU law;
- (f) Infringements of EU law;
- (g) Innovation and research; and
- (h) Logistics.

## **B. EU Transport in figures 2014**

102. DG MOVE Statistical Pocketbook provides an overview of the most recent and pertinent annual transport-related statistics in Europe. It covers the EU and its 28 member States and, as far as possible, the current EU candidate countries and the EFTA countries.

103. The content of this pocketbook is based on a range of sources including Eurostat, international organisations, national statistics and, where no data were available, indicative estimates.

104. The publication consists of three parts: general economic and other relevant data, a transport section covering both passenger and freight transport as well as other transport-related data, and, finally, an energy and environmental chapter with data on the impact which the transport sector has on the environment.



## **XI. UNECE – European Union cooperation**

105. The EU and its member States have actively participated in all the transport intergovernmental United Nations forum serviced by the UNECE secretariat, i.e. in the Economic and Social Council (ECOSOC) Committee of Experts on the Transport of Dangerous Goods and on the Globally Harmonized System of Classification and Labelling of Chemicals, as well as in the Inland Transport Committee and its subsidiary bodies.

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