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STANDING COMMITTEE OF THE EFTA STATES

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SUBCOMMITTEE II ON THE FREE MOVEMENT OF CAPITAL AND SERVICES

EEA EFTA COMMENTS ON THE MID-TERM REVIEW OF THE COMMISSION 2001 WHITE PAPER ON EUROPEAN TRANSPORT POLICY – KEEP EUROPE MOVING- SUSTAINABILITY FOR OUR CONTINENT (COM(2006) 314)

I. EXECUTIVE SUMMARY

The EEA EFTA States welcome the Commission's Communication on the mid-term review of the 2001 EU Transport Policy White Paper (COM 2006/314 final). Furthermore we welcome the closely related Communications on Freight Logistics in Europe (COM 2006/336) and the mid-term review of the Programme for the Promotion of Short Sea Shipping (COM (2006)380).

The enlargement of the EU and the EEA has accentuated differences between peripheral and sparsely populated areas on the one hand and centrally located and heavily urbanized areas on the other. It is the opinion of the EEA EFTA States that legislation and other policy instruments should to a larger extent reflect such regional differences.

The EEA EFTA States fully support the continued approach of shifting to more environmentally friendly modes of transport where appropriate. Furthermore we support measures to optimize the use of all modes of transport, individually or in combination by facilitating the passage from one transport mode to another. In order to ensure better correspondence between prices and social transportation costs, all modes of transport should meet common principles of fair and efficient transport infrastructure charging.

The EEA EFTA States appreciate the Commission's intention to examine the functioning and costs of security rules and the commitment to adjust them where necessary to avoid distortion of competition between modes and taking into account the costs of mobility especially for SMEs.

Since the failure of the second proposal on market access to port services, there is a need for an adequate and coherent policy framework for ports. However,

being an important element of the supply chain, policy measures should have high focus on ensuring the commercial flexibility of ports.

With a view to promoting a seamless use of different modes in a single transport chain, the standardization and use of compatible loading units that facilitate the efficient carriage of goods should be studied, taking due account of the global context of goods transport.

An adequate physical cross-border infrastructure is essential for a well-functioning internal market. The EEA EFTA countries are therefore pleased that two corridors of relevance for the development of the strategic Arctic and Barents region are proposed in the final report from the High Level Group on the extension of major Trans-European Transport axes to neighbouring countries. The EEA EFTA States would like to be an active partner in international cooperation on developing cross-border transport corridors.

The EEA-EFTA States welcome policy initiatives that would further promote Short Sea Shipping with a focus on intermodality. The exercise to identify bottle necks in door-to-door shipping should continue, and we would like to contribute in similar exercises of identifying concrete bottlenecks to efficient freight logistics.

Potential policy instruments to facilitate efficient freight logistics should be prioritised. The EEA EFTA States particularly underline the importance of standardisation of intermodal loading units, modifications of road and rail vehicles and establishing common principles of infrastructure charging.

II. Introduction

The EEA EFTA States appreciate the Commission's Communication on the mid-term review of the 2001 EU Transport Policy White Paper (COM 2006/314 final).

The EEA EFTA States recognize the progress achieved on the basis of the measures included in the 2001 White Paper, in particular the opening up of rail freight transport to competition, the upgraded social conditions for road transport, the creation of the European Single Sky and the reinforcement of the legal framework on maritime safety. The Commission has made necessary adjustments and refinements to the 2001 White Paper taking into account the reality of the transport market, the overall context in which transport functions and new developments, the most important being the EU and EEA enlargement. The enlargement of the Union has accentuated differences between peripheral and sparsely populated areas on the one hand and centrally located and heavily urbanised areas on the other. It is the opinion of the EEA EFTA States that legislation and other policy instruments should to a larger extent reflect such regional differences.

While supporting the broad economic, social and environmental objectives of the EU Transport Policy, the EEA EFTA States welcome in particular the Commission's focus on European competitiveness and growth, putting the EU transport policy at the heart of the renewed Lisbon agenda. The EEA EFTA States agree that sustainable

transport growth is one of the essential elements to achieve the objectives of employment and competitiveness.

The EEA EFTA States fully support the continued approach of shifting to more environmentally friendly modes of transport, such as rail and maritime transport, where appropriate. This concerns especially long distance transport, urban areas and congested corridors. In this context the need for re-enforcing the efficiency of ports and other multi-modal freight interchanges should be underlined. Furthermore, the EEA EFTA States fully support measures to optimize the use of all modes of transport, individually or in combination by facilitating the passage from one transport mode to another. In order to ensure better correlation between prices and social transportation costs, all modes of transport should meet common principles of fair and efficient transport infrastructure charging.

Furthermore the EEA EFTA States welcomed the commission's plans to further promote and raise awareness of smarter and cleaner vehicles as well as the future major programme for green propulsion and energy efficiency in transport.

The EEA EFTA States welcome the Commission's new approach of a broader and more flexible toolbox for policy measures which enables, where necessary, tailor-made measures, recognising the advantages of all transport modes, stimulating the sustainable characteristics of each individual mode and the combined use of them. Charging schemes and other policy instruments need to be adjusted in view of different needs and circumstances of Member States, such as geographical position and congestion problems, while fully respecting principles of non-discrimination and transparency.

Policy measures should be taken at EU-level only when doing so would bring a clear added value. Although the EEA EFTA States consider that there may be a certain need for action at European level on urban transport, such future proposals should fully respect the principle of subsidiarity.

The EEA EFTA States would like to emphasise the importance of enhancing the level road safety, in rural as well as in urban areas, and the aim to reduce the number of fatalities by half as put forward in the Road Safety Action programme. It is vital that safety considerations are duly taken onboard in infrastructure development programs, especially in regard to the intelligent infrastructure initiatives.

Wherever appropriate, European legislation should be in line with those of international trading partners. Taking into account the global nature of shipping and trade further actions should be taken on an international level.

Acknowledging the necessity to keep the functioning of the internal market under regular review, the EEA EFTA States agree that the EU Transport policy must enable the guarantee of services of general interest effectively, leaving it to Member States to define and organize these services. In particular this concerns public transport services, which to a large extent should be left down to national authorities to decide on the level of liberalisation.

Furthermore, the EEA EFTA States welcome the Commission Communication on Freight Logistics in Europe (COM 2006/336) and the mid-term review of the Programme for the Promotion of Short Sea Shipping (COM 2006/380 final).

III. Security

The EEA EFTA States appreciate the Commission's intention to examine the functioning and costs of security rules and the commitment to adjust them where necessary to avoid distortion of competition and for taking into account the costs of mobility especially for SMEs. Unnecessary and costly duplication of controls must be avoided. Today, the more heavy security rules in the field of maritime transport and aviation compared to other modes imply a distortion of competition between transport modes. Thus further evaluation is necessary for the need of an extension of security rules towards critical infrastructure, in relation to existing security rules for airports and ports. The same applies to the proposal for a Regulation on supply chain security in relation to existing security legislation applicable for elements of the supply chain.

The US Congress is currently considering a proposal requiring the scanning of all containers with imports to the US, irrespective of the level of security risk. The EEA EFTA States would like to express their concerns on the possible consequences this may have for both European exporters and ports, such as reduced efficiency and increased costs.

IV. Ports

The EEA EFTA States welcome the Commission's plan to start a debate on future port policy and the initiative for a dialogue with stakeholders concerning better and more efficient port services aiming to make "ports poles of growth, instead of trans-shipment bottlenecks".

Since the failure of the second proposal on market access to port services, there is a need for an adequate and coherent policy framework for seaports, i.e. competition within and between ports, clear rules for public contributions to investments, and sustainable development of port capacity. However, being an important element of the supply chain, policy measures should focus highly on ensuring the commercial flexibility of ports. In this context the EEA EFTA States welcome the acknowledgement of the importance of increased investments in ports and hinterland connections.

It should be emphasised that there is a variety of challenges facing European ports. Large ports experience problems related to congestion, while smaller ports on the fringe of Europe put their efforts in concentrating on a sufficient amount of cargo to make maritime transport a more competitive alternative to trucking. Measures on a European level should be taken for better utilisation of ports with excess capacity.

The port infrastructure should to a greater extent be harmonised in order to make the loading and discharging of ships more efficient. Furthermore, the EEA EFTA States

would like to underline the importance of developing ICT-infrastructure that is compatible within different ports and through the transport chain.

V. Intermodal loading units

With a view to promoting a seamless use of different modes in a single transport chain, the use of compatible loading units that facilitate the efficient carriage of goods should be studied, taking due account of the global context of goods transport. In this context, the EEA EFTA States are concerned with the proposal for a Directive on Intermodal Loading Units (COM (2003) 155 final). The proposed EILU standard is different from today's international standard, according to which container ships have been designed and constructed. Although the use of EILU will be voluntary and not erect new barriers to free flow of containers, it should be underlined that efforts for developing new container standards should be taken on an international level.

VI. Cross boarder infrastructure

The EEA EFTA States underline that an adequate physical cross-border infrastructure is essential for an accessible and well-functioning internal market. We support the need for coordinated actions across borders in a globalised world and also to neighbouring countries. The completion of the "Nordic Triangle" (Oslo-Stockholm-Copenhagen-Helsinki) and the establishment of a fixed link crossing of the Fehmarn Belt between Denmark and Germany, means a significant improvement of accessibility for our industries.

In order to meet tomorrow's need of transport capacity it is necessary to establish viable and effective transport corridors. Rethinking of transport systems and the implementation of new transport corridors is necessary to meet the growing demand of transport. For this to succeed international cooperation is essential and the EEA EFTA States would like to be an active partner in international cooperation on developing cross-border transport corridors.

The Arctic and Barents region is extremely rich in many natural resources such as fossil fuel and fisheries. A major challenge for developing industrial activities in the region is the cost of transportation to and from the region. The EEA EFTA countries are therefore pleased that two corridors of relevance for the development of this strategic region are proposed in the final report from the High Level Group on the extension of major Trans-European Transport axes to neighbouring countries and regions (a multimodal east-west link and an extension to the north of "Motorways of the Sea Western Europe").

The "Northern East West Freight Corridor (N.E.W)" is a foreseen intermodal transport corridor taking cargo from central China by rail through the rail/ sea terminal in the port of Narvik in Northern Norway, and by sea to the North American East Coast, with Iceland as a possible transshipment hub. The N.E.W Corridor will promote commercial interactions between the east and the west, and facilitate global trade through less congested and secure areas.

The EEA EFTA States appreciate the initiative by the Lead Partners of the Northern Maritime Corridor Interreg IIB Project (NMC) to establish a Motorway of the Sea connecting the North Sea basin with the Northern Periphery. A number of NMC initiatives for new sea routes comply with the principles of Motorways of the Sea, and have a large potential for transferring cargo from road to sea.

Furthermore in relation to the foreseen increased traffic of tankers carrying crude oil from Russia, the EEA EFTA States support initiatives to extend the cooperation of collecting and sharing information of the Safe Sea Net with neighbouring countries, especially in the North, for the benefit of the safety of the sea and the protection of the environment.

VII. Short Sea Shipping

The EEA EFTA States welcome policy initiatives that would further promote Short Sea Shipping. According to the Mid-Term Review (COM 2006/380 final) the Short Sea Shipping has shown significant growth (32 %) in the period 1995-2004. We underline – also in the context of Short Sea Shipping Focal Point – the progress that has been accomplished, reviewing the 14 individual actions established in the 2003 paper. These actions have been successful and work should continue. The EEA EFTA States appreciate that new targets with new deadlines have been set for IMO FAL, Motorways of the Sea and an extension of the scope of the Short Sea Promotion Centre to also cover inland supply chains. In this context it should also be stressed that separate efforts need to continue in the ports sector to make Short Sea Shipping more efficient and competitive in the logistics chain.

The EEA EFTA States support the Commission's exercise to identify bottlenecks in Door-to-Door Short Sea Shipping. This exercise should continue and should be considered as on-going.

VIII. Freight logistics

The EEA EFTA States recognise the importance of an EU strategy for freight transport logistics with a view to increasing competitiveness, regionally balanced development and sustainable mobility. In this context we welcome the Commission Communication on Freight Transport Logistics (COM 2006/336). In general efficient logistics are primarily the responsibility of industry and businesses themselves. However, improved and coordinated framework conditions may contribute significantly to facilitate efficient logistics.

The European Short Sea Network should focus on promoting intermodality because efficient connections between transport modes are a prerequisite for modal shift. Instead of making a new structure of Intermodal Promotion Centers, the existing SPC structure could be used in promoting intermodality.

The EEA EFTA States support the need for an exercise of identifying concrete bottlenecks to efficient transport logistics, and we would like to contribute with our experiences in the proposed Focal Points. As a means to stimulate real co-modality and avoid the risk of double work, a merger of the proposed Focal Point and the

similar one in Short Sea Shipping should be considered. In addition to exchange of best practice and know-how, the Focal Points may give significant input to a coordinated freight transport policy development on European as well as on national level.

There is a need to prioritise the long and broad list of potential actions described in the Communication. This “shortlist” should be reflected in a realistic and operative Action Plan in 2007 as indicated by the Commission. When it comes to policy instruments – both unimodal and multimodal – the EEA EFTA States particularly underline the importance of standardisation of intermodal loading units for use in global trade, modifications of rules regarding loading capacities of road and rail vehicles, establishing common principles of charging for the use of infrastructure across all modes, and further efforts towards interoperability of ICT/ITS-systems. Current European legislation should be reviewed in order to meet challenges facing European logistics. In particular, we would support a review of the Weight and Dimension Directive (Directive 96/53) in order to improve the conditions for advanced and flexible multimodal logistics.

IX. Conclusion

The EEA EFTA States invite the Commission to take these views and positions into account in the further elaborations of the initiatives and action plans. The EEA EFTA experts are looking forward to actively participating in the Commission follow-up exercises.

Finally, it should be recalled that the scope of the EEA Agreement is more limited than the Treaties establishing the European Union, and that some policy measures proposed in the Mid-term review of the White Paper fall outside the scope of the EEA Agreement. In these cases it will be for the EEA EFTA States to consider how their national policies could take account of policy developments in these matters within the European Union.

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