

Ministry of Transport and Communications

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The Future of Transport - Norwegian comment

Norway welcomes the Commission's Communication on "A sustainable future for transport: towards an integrated, technology-led and user friendly system" (COM 2009/279).

Norway supports the aim of maintaining and developing the long term international competitiveness of European business and transport industries based on quality, safety and protection of the environment. In maritime transport the international dimension is crucial, and the strategic goals and recommendations as contained in the Commission's maritime transport policy until 2018 should be reflected in the future transport policy white paper.

Climate change higher on the political agenda

Norway fully supports the overall goal of establishing a more sustainable transport system that meets society's economic, social and environmental needs. The difficult policy challenge is to find a sustainable balance between satisfying the rising demand for transport and mobility on the one hand, and solving the rapidly growing necessity of reducing CO2 emissions on the other. Since transport is one of the main contributors to CO2 emissions, the fight against climate change should be given a higher priority on the future political agenda.

One size does not fit all – flexibility within a common legal framework 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

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Office address: Akersg. 59 www.regjeringen.no/sd Tel. - switchboard +47 22 24 90 90 / +47 22248111 Org. no.: 972 417 904 Departement of Planning, Administration and Economic Affairs Telefax:+4722 24 56 11

Reference: Olav Grimsbo +4722 24 81 10 heavily urbanized areas on the other. It is our opinion that legislation and other policy instruments should to a larger extent reflect such regional differences. The legal framework should be sufficiently flexible to accommodate the continued use of existing well functioning management systems and methods, in so far as they are consistent with the aims of the internal market and do not have unacceptable distortions of competition.

Improved integration of modal and intermodal networks

Norway fully supports a strengthened approach of modal shift to more environmentally friendly modes. 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.

Removing bottlenecks and building infrastructure networks across Europe are crucial for realizing aims of increased modal shift and co-modality, establishing "green transport corridors" and dedicated freight networks, and realizing the full advantage of the environmentally friendly modes of sea and rail transport. In order to stimulate better integration of the different transport modes, new mechanisms should be sought for seamless planning, financing and organising of terminals for combined transport.

Since cross-border infrastructure networks of high standard is of primary importance for improved accessibility, Norway welcomes the ongoing revision of the TEN-T guidelines making it a more dynamic and effective policy instrument. Norway puts large economic resources into completion of parts of the TEN-T project "Nordic Triangle" on Norwegian territory, and is looking forward to the announced construction of the fixed link over Fehmern Belt between Denmark and Germany.

The revised TEN-T guidelines should explicitly recognize the special challenges and needs of peripheral regions with relatively low transport volumes and long transport distances to centrally located markets. Improved accessibility is a basic precondition for enhanced competitiveness for countries with location in the periphery of Europe. This should also be reflected in the pricing policy for transport.

Norway as a sea-oriented country welcomes further efforts to promote Motorways of the Sea as an attractive alternative to road transport, while avoiding distortion of competition for existing maritime transport service providers. The future infrastructure policy should stimulate and support the development of a MoS Barents Sea and linking it with the MoS of the North Sea and the Baltic Sea. Measures to enhance safety at sea and oil spill preparedness in these exposed areas must be given substantial attention in the years to come.

The extension of TEN-T networks to neighbouring countries is an important tool of stimulating cooperation and facilitating trade and growth in a wider European context. The development of transport connections with Russia, is considered especially

important as the East-West transport flows are growing fast. The planned partnership of transport and logistics within the Northern Dimension can be a useful platform for developing relevant transport corridors.

Internalization of external costs in all modes of transport

Norway supports the need for a better pricing system which also reflects the negative impact transport can have on society. We recognises the principle of social marginal cost, including external costs, as a point of departure for infrastructure user charges for all modes of transport. A full implementation of this principle, however, gives raise to difficult dilemmas which should be addressed in formulating the future transport policy.

Firstly, externalities differ from purely local to externalities on a regional, national or global level. Certain externalities differs to a large extent according to population density on a local or regional level (noise and local air pollution are examples). Models that take such differences into account should be developed.

A second challenge is how to deal with externalities on a global scale, i.e. CO2 and similar gases causing climate change. Maritime transport and air transport are global transport modes. Methods for internalising external costs should therefore be developed on an international level.

The transport cost per unit in Norway is higher than in more central areas of Europe, independent of transport mode. A policy of economic effective prices may create disadvantages for countries with scattered populations and long distances to the relevant markets. Thus, any European pricing policies for transport must take due account of the need for maintaining competitiveness, employment and commercial activities in peripheral areas.

Quality transport - increased transport safety and security

Improved transport safety should continue to have a high priority in future Community transport policy objectives such as in the area of road safety to promote homogeneous safety standards and systematic road safety policies across member states. However, regulations should acknowledge the different member states' levels of road safety by accommodating differentiated and flexible methods of achieving these objectives.

Maritime transport is mainly taking place in international markets. In order to facilitate global operation international regulation of legal requirements regarding vessels and crew, regardless of the country of registration or origin, is therefore of vital importance. Such international rules and their enforcement for safety, social conditions, security and protection of the environment contribute to competition on equal and acceptable terms. The ratification of the ILO Maritime Labor Convention will contribute to creating a global level playing field for seafarers. In order to avoid accidents due to fatigue, regulation securing sufficient rest periods for seafarers is of vital importance.

In order to protect seafarers, transports and vital trade links, we support continued international co-operation and commitment to the work on anti-piracy and anti-terror

measures. The relevant challenges and measures should be reflected in the transport policy paper.

Norway would like to underline the importance of reaching an appropriate balance between security measures and the protection of travellers' privacy and integrity. Security measures should not become more severe than strictly necessary. The nature of security measures can also have an effect on the travelling public's choice of transport mode.

On a general note, Norway recognizes the importance of keeping the Pan-European perspective in mind in the process of developing the transport policies of the EU. This is particularly important in relation to the development of harmonised safety requirements for transport modes with a high degree of interdependence between intra-EU and extra-EU services, such as in the field of aviation and maritime transport.

Technology development and accelerating the transition to a low-carbon society

Norway shares the Commissions view on the need for a technological shift towards lower and zero emission vehicles and for an accelerated development of alternative products and services, increased interoperability, and harmonized standard settings. In addition we emphasize the need for policies that stimulate further development and commercial use of low emission vessels.

We would like to share some of our experiences with different policy instruments to promote environmentally friendly vehicles and new energy carriers in transport which might be useful also in formulating future policies on a European level.

The overall climate target states that Norway should be carbon neutral by 2050. In order to ensure reductions within all sectors, Norway has introduced reduction target for each sector. Road transport is responsible for approximately 18 %, domestic maritime transport approximately 3.5% and domestic aviation 2 % of the total greenhouse gas emissions, and emissions are expected to rise substantially towards 2020. The target for land transport and aviation is to reduce emissions with 12-19 percent compared to the expected emissions in 2020.

The CO2-based purchase tax for cars, introduced in 2007, is designed so that new cars with high emissions have higher purchase taxes, and new cars with low emissions have lower purchase taxes. The immediate effects of the tax regime were that the average level of CO2 emissions from new cars have fallen from 177 g/km in 2006 to 152 g/km so far in 2009.

EU R&D policies and programs in surface transport should be an integral part of the ambition of accelerating the transition to a low carbon society. Projects on short sea shipping, rail and intermodality are important in order to promote more environmentally friendly transport.

Maritime research and innovation programmes that focus on environment and short sea shipping are an important part of the Maritime Strategy that the Norwegian government issued in 2007. We share the ambitions of the European Commission as formulated in the maritime transport strategy until 2018 in this field. Close European co-operation through existing and future framework research and technology programs in this area are essential.

Norway believes that technology neutral policies are best suited to push forward the best technologies. We therefore aim to provide necessary infrastructure for vehicles that can use renewable energy (including electric vehicles, hydrogen vehicles and flexifuel vehicles on biofuels), providing strong user incentives for zero emission vehicles - such as access to the bus lane, and last but not least giving grants to research, development and demonstration of climate friendly transport technology. In addition, petrol and diesel have high taxes, while hydrogen, bioethanol and biodiesel are exempted. In the same way use of cleaner and alternative fuels, including renewable energy should be stimulated by various incentives for maritime transport.

The future EU transport policy should cater for a deeper market penetration of intelligent transport systems (ITS) to support Community policy objectives in the sector. ITS provide new opportunities for the prevention of climate change as well as to manage traffic demand and stimulating potential alternatives to extensive transport infrastructure investments as a response to growth in traffic demand. The Norwegian developed ITS architecture ARKTRANS may represent a common platform for applications in and across different transport modes. Increased use of ITS and integrated logistics in freight transport will stimulate modal shift towards more environmentally friendly modes, and Norway supports the ongoing work with the EU ITS Action Plan in this respect.

Further market opening and fostering competition

Opening up of European transport markets, especially in road transport and aviation, since the early 1990's has led to more efficiency and lower costs. In combination with high international standards for safety, security, protection of the environment, sufficient training, and provisions on transport workers' working hours and rest periods, this policy of free and fair competition should be further promoted.

Passenger rights is also an important issue for Norway, and we have noticed with interest the passenger rights proposals for bus, sea and inland waterways. However, it is crucial that already existing passenger rights, in fields where maximum standards are set, are not weakend.

Regarding the difficult question of opening up domestic rail, Norway would propose that the forthcoming white paper should discuss whether it will be necessary or not to decide on European level the opening up of national passenger railway traffic. It may be an option to have common European rules on railway competition only if and when national authorities decide to open the market.

Norway acknowledges the importance of cabotage rules in road transport. Currently it is important to have a regime of limited cabotage in order to avoid unacceptable economic and social disturbances in the market. In a longer time perspective of developing road transport cabotage, potential positive impacts for the environment through reduced number of empty trips and increased load factors, should be included in the discussion.

Urban mobility

It is the Norwegian view that regulating urban transport should continue to be a national responsibility, leaving a limited role on the European level. On the other hand European cities face a number of common challenges which also calls for initiatives on a European level. Therefore, Norway looks forward to the EU action plan on urban mobility. We support the development of a dynamic best practice tool-kit, a common set of performance indicators, and better statistics which can bench-mark and monitor traffic and land use in cities. Norway would be happy to share its experiences, including impacts of using financial rewards for increased public transport, strategies for increased cycling and walking, and integrated urban transport packages.

Cities of Europe are usually either transit nodes or destinations of international freight and passenger transport. Finding the right balance between the need for efficient international logistics on the one hand, and the needs of well-functioning and sustainable urban communities on the other, will be a major challenge in the years to come.

The necessity of stimulating travel behavior in such a way that environmentally friendly modes are chosen, should be underlined. It would benefit national and local authorities if the EU where able to reach common recommendations on strategies for more environmentally friendly city transport. Congestion charging combined with parking restrictions and investments in public transport, cycling and walking and a conscious land use policy, seems to be the best combination of measures for sustainable urban mobility in the future.

Yours sincerely,

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