

Brussels, 10 March 2005

IRU POSITION ON

THE MULTI-STAKEHOLDER EUROPEAN TARGETED ACTION FOR SUSTAINABLE TOURISM AND TRANSPORT (MUSTT)

I. ANALYSIS

In December 2003, the EU Commission DG Enterprise launched a feasibility and preparatory study containing a multi-stakeholder European Targeted Action for Sustainable Tourism and Transport, and the IRU was active on the study's Steering Committee. The study was finalised on 19 October 2004.

The two main conclusions of the study related to bus and coach are:

- coach transport provides the most environmentally friendly mode of transport, but in many cases, this mode is not preferred because of social or economic drawbacks (e.g. lower flexibility than the private car, longer travelling time than air and high speed rail).
- transport is a vital link to tourism. Choice of transport mode is a strong criterion in the choice of destination. However, when taking political decisions, the worlds of tourism and transport are still relatively weakly connected. Relatively low priorities are given to transport for tourism both by the tourist industry and transport policymakers.

Whereas, the air and rail travel sectors are mainly made up of large companies, which, in many cases, still benefit from direct or indirect government support, privately-owned small and medium-sized enterprises make up 85% of the coach industry. Coach tourism has been completely liberalised since 1993, although long-distance regular coach services still require authorisations.

Notwithstanding demands from the industry, European and national governmental authorities have never produced a comprehensive survey of market developments in the bus and coach sector or duly considered this mode of transport in policy strategy outlines for the future. The lack of governmental recognition of the environmental and safety records as well as the importance of travel by bus and coach to the economy was further demonstrated by the fact that this transport mode was not even considered in the 2001 Commission White Paper "European transport policy for 2010: decision time".

Notwithstanding the positive study findings on the sustainable character of coach tourism, the coach industry has been facing a number of challenges, over the last decade, due to different measures that have been introduced:

- Liberalisation of air transport, accompanied by fiscal incentives in the field of VAT and excise duties on mineral oils, has allowed discrimination against coach tourism in favour of air transport and forced the bus and coach industry sector to largely abandon its traditional long distance markets as such. It should be recognised, however, that the European Commission has instigated several infringement procedures against low cost airlines on the grounds that they benefit from direct and indirect state aid.

- Many municipal authorities have introduced policies to discourage coach tourism by applying unnecessarily high entry taxes for historical towns and sites.

Until now, apart from a number of individual actions at local level, no concrete policy framework has been actively put in place to encourage a shift from the private car to bus and coach.

The taxi industry, which is an important element of the public transport and tourist chain, was not covered by the study.

II. IRU POSITION

The European Institutions and Member State governments should recognise the fundamental role of bus and coach and taxi transport for the economy and for the environment and should duly include this mode of transport in future policy decisions. A proactive policy framework for a shift from the private car to bus, coach and taxi should be developed and implemented at EU and national level.

Strategies, approaches and measures taken to achieve progress in sustainable development should be based on three principles: innovation, incentives and infrastructure.

- “At source” measures should be given priority as the most efficient and cost-effective measures for improving the environmental performance of road transport.
- Real business incentives should be provided for bus and coach travel. The European Commission should finalise the Directive for professional diesel for commercial road transport.
- A level playing field should be created between the different modes of passenger transport regarding both VAT and mineral oil taxation.
- All long distance passenger transport modes should be self-sufficient and profitable without having to rely on direct or indirect government support.
- A recommendation should be prepared for the Member States and local authorities on the need for more investment in infrastructure to guarantee an improved traffic flow of coaches in cities and on historical sites.
- Any charges levied on touring coaches must be fair and transparent and should be reinvested to improve coach facilities, such as parking, passenger boarding and alighting etc.
- City access taxes for touring coaches are counterproductive to any measure aimed at solving congestion problems in inner cities. It makes coach tourism more expensive and encourages the use of the private car. For these reasons, any access tax for touring coaches is unacceptable.

The Commission should undertake a study on the evolution of national and international transport by bus and coach in Europe, in order to be able to base policy measures on facts.
