

Seven reasons why transport should become one of the Sustainable Development Goals for Post 2015

View of the road transport industry

- **Globalisation of economy** – In today's globalised economy multimodal transport became a vital production tool interconnecting every business to all world markets through high quality and efficient door-to-door service. For the transport industry, achieving sustainable development translates into the challenge of satisfying market demands at the lowest economic, social and environmental cost possible, notably by achieving better rather than more transport, in developing and industrialised countries. Every penalty on road transport is even bigger penalty on the economy as whole, as transportation became major driver of economic growth and development.
- **Sustainable supply chains** - A lot has been done by the international community in the last 20 years to ensure sustainability of the global supply chains. While 20 years ago international trade was blocked by absence of hard infrastructure, now major challenges are related to the soft infrastructure - absence of harmonised procedures at the borders, outdated border-crossing points - as a result truck drivers spend 40% of their traveling time in queues at the borders, while the amount of bribes reaches almost one third of the freight. The most effective solution here is effective implementation of best existing practices and UN Conventions and Agreements which would help to promote sustainability of global supply chains and at the same time save significant financial resources.
- **Inclusiveness** - Sustainable development should provide inclusiveness for all the stakeholders. Currently almost all global trade is done by sea – 80% of trade flows go thru 40 main sea ports. This situation has led to financial desertification of the whole regions in Central Asia, Africa and Latin America which are deprived from the benefits of globalization. In order to ensure inclusiveness of those countries in the sustainable development process, they should be interconnected between themselves by road transport (leading to regional economic integration) and to the global markets.
- **Innovative financing mechanisms** – Traditionally international finance institutions and development banks tend to provide long-term loans to the countries on bilateral basis for financing hard infrastructure. No attention was paid to ancillary infrastructure – secure parking lots, service stations, motels - creating serious obstacles to trade, tourism and security problems. However, currently this bilateral approach to financing should be supported by regional one, due to a vast number of regional and international projects.
- **Poverty eradication** – according to statistics, one truck provides daily products and necessities to a family of five people. Sustainable transport is extremely important for the socio-economic development of the countries as it is the blood system of the economies which has multiple positive effects on wellbeing of the nations.
- **Regional economic integration** - Transportation systems play a key role in boosting productivity and competitiveness in various regions of the world. One critical issue which should be advanced to achieve more sustainable economic development is to

promote regional integration of the national economies. For example, inter-regional trade among countries in Central Asia and South America comprises less than 20% of the total trade (in Europe, for example, this figure exceeds to 80%). Such low intra-regional participation happens despite the geographic proximity of the countries. It is obvious that only land transport can interconnect these economies and provide additional stimulus for regional and international trade.

- **Mobility and connectivity** - Two basic freedoms of the UN Charter - movement of goods and people in a global economy - cannot be achieved without sophisticated transportation network based on latest innovations and technologies. Existing regulatory hurdles - from outdated visa requirements to unharmonized border-crossing procedures - still represent major impediment and slow down development of exchanges in economic, social and humanitarian area.

HOW can we achieve that?

Over the last 20 years, the transport industry has invested massively in the latest technologies and training. In this regard the IRU 3 “i” Strategy, which has been endorsed by the United Nations Environment Programme (UNEP) and which is based on Innovation, Incentives and Infrastructure is seen as the most effective way to achieve sustainable development.

Innovation: to develop ever more effective "at-source" technical measures and operating practices to reduce environmental impact.

- Buses and coaches are a safe, efficient, reliable, affordable and environmentally friendly mode of transport. Indeed one bus can replace up to 80 cars.
- Fuel consumption of commercial vehicles has dramatically reduced over last 30 years.
- Very recently the road transport sector took concrete action and made a voluntary commitment to reduce CO₂ emissions by 30% by 2030.
- Innovative, high-quality professional training with harmonised standards at global level, as provided by the IRU Academy, is instrumental in ensuring the availability of a skilled work force, both at employee and manager level.

Incentives: to encourage faster introduction by transport operators of best available technology and practices.

- Real business incentives should be given to transport operators who are willing to invest in the latest clean vehicle technology and best practices that help to reduce toxic and non-toxic emissions.
- In order to be effective, real business incentives need to outweigh the cost of the necessary investments by transport operators and they need to be in place long enough to have a significant effect on reducing emissions.
- On the contrary, Scientific studies have shown that for every 1 dollar lost due to penalties on transport at least 2 dollars are lost for the economy in terms of missed business opportunities, proving that any penalty on transport is an even bigger penalty on the economy as a whole.

Infrastructure: Adequate investment in new infrastructure to remove bottlenecks and missing links, plus fullest use of existing infrastructure, is essential.

- Traffic congestion increases CO₂ emissions by 300%. In fact, congestion is responsible for 100 billion litres of wasted fuel or 250 billion tonnes of CO₂ in the United States alone.
- Less than 0.5% of a country's total surface is used for roads.

To enable the Sustainable Supply Chain to further the Sustainable Development Goals it is crucial to globally promote the implementation of multilateral trade and road transport facilitation and security instruments, such as the TIR Convention, the UN International Convention on the Harmonization of Frontier Controls of Goods, and to promote the economic, social and environmental objectives of sustainable development in the goods road transport sector.

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