



EUROPEAN COMMISSION

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Making the best and fairest use of Europe's roads

*Check Against Delivery
Seul le texte prononcé fait foi
Es gilt das gesprochene Wort*

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Prime Minister, ministers, ladies and gentlemen,

Thank you for inviting me to talk about some of the challenges, constraints and opportunities for European road transport and where I believe we can make a real difference to transport's economic and environmental efficiency.

Europe's car, truck and road haulage industries are critical to our economy, and not only as a major producer and employer. They provide the means for millions of EU citizens to travel and thousands of businesses to prosper. They are also indispensable for our social and economic fabric. Imagine if they disappeared for a month. EU consumers, commuters and businesses would get rather impatient – and rather quickly. However, trucks and buses are still one of the more polluting forms of transport. Roads still carry the bulk of freight and passengers in Europe. So we should work harder to make road transport as clean and green as possible. Climate change, congestion and its effects on competitiveness: these are just a few of the challenges faced by the sector. Others include the quality of infrastructure and insufficient funding to maintain and upgrade it. These are areas where we need to focus action.

Take road freight, where we are not yet properly prepared to cope with the expected growth in the years ahead. In fact, we are struggling just to manage present levels of demand in a sustainable and resource-efficient way. With millions of trucks travelling daily on Europe's saturated roads, we have to improve the situation. That means we must act now.

Let me begin with our plans to revise the rules on **maximum weights and dimensions** of heavy goods vehicles. As you know, the idea is to improve the economic and environmental efficiency of trucks by allowing more aerodynamic design of the trucks. EU manufacturers would be in a position to design and produce a new "truck of the future", which could then be sold around the world as a global reference. Everyone gains. Operators raise their economic efficiency; emissions from heavy trucks come down, while road safety improves; Europe's truck manufacturers get a valuable commercial opportunity to remain world market leaders.

Our proposal is now on the table. I would urge Member States and the European Parliament to work towards a rapid agreement so that European citizens and business can reap the benefits as soon as possible. This is also what everyone wants — we have all received a letter with co-signatories ranging from hauliers to environmental NGOs to road safety associations, all asking for swift progress.

One of the biggest problems to tackle in transport is **insufficient investment**. In the EU, public investment in transport infrastructure has been falling since the late 1970s. In 1975, investments in inland transport stood at 1.5% of GDP. By 2008, they had fallen below 0.8% – a record low. This year, for the first time, China is spending more on roads than the EU does. Maintenance budgets and infrastructure quality across the EU have diminished. Today's public budgets are unable to keep transport infrastructure maintained. This is not only at odds with our "Connecting Europe" philosophy. It is also a matter of life and death, as the state of repair of the EU's roads has a direct bearing on road safety.

Europe needs smooth and well-maintained transport links to stimulate economic growth and create more jobs. Network infrastructure is starting to crumble without investment. Today, there is a definite financing gap: one that public money cannot bridge on its own. The longer we leave it, the more it will cost in the long run.

Congestion is another huge problem. It costs European businesses and citizens the equivalent of 1% of the EU's entire annual GDP. In more densely built areas, the cost is more than 2%. This would more than pay the entire EU budget. Expanding the road network is not a sustainable solution, even if there were consumer appetite to do so. New road capacity would just generate more demand and neutralise the temporary relief in congestion.

We need to get to the core of congestion – people's behaviour. When we manage to change that, we will be successful in tackling congestion. Many studies have shown that people's behaviour can best be influenced through their wallets. So what would help would be to manage demand through congestion charging in peak hours. It would improve the efficiency of the EU economy.

In addition to finding new ways to manage demand and infrastructure use efficiently, we also need to find new means of funding infrastructure. The solution suggested by transport planners is road charging. It follows the "user pays" principle, one of the cornerstones of a fair and efficient pricing policy. With public budgets increasingly constrained, we are convinced that the future of infrastructure funding lies in charging the users for the use of the road - just as trains pay track access charges and planes pay airport charges. We are aware that anything that deals with money and budgets is politically very sensitive. We are now thinking about the best way forward, but let there be no doubt: if we are not to lose the benefit of a well-functioning infrastructure, we must act soon to end years of chronic underinvestment.

Let me now move onto another important issue: **access to road haulage markets**. This is one of the few service sectors in the EU single market where access is still strongly regulated and restricted. Not only does this hamper economic efficiency, it goes against the spirit of the single market. Today, hauliers may not take up loads as and where they become available, which makes it difficult to match offer and demand. Companies are artificially protected from competition on certain markets by administrative barriers. I have listened closely to the views of all concerned. I agree that improving the regulatory framework and opening up access to cabotage markets should take place in a carefully prepared way.

As I have said before, I am not looking at a 'big bang' approach to opening up access. This is a long-term vision for creating a single European road haulage market with no restrictions, and no arbitrary distinctions between countries. The rules should be simplified to make sure they are implemented more efficiently, effectively and consistently throughout the EU. Later this year, we will present a report on the state of the market. This may be accompanied by a proposal that looks at how the rules could be implemented more effectively and efficiently.

Since we are today in Vilnius, let me also say a few words on **road transport relations with our neighbours**. There is the TIR issue on customs transit, market access and quotas, the use of tachographs, the employment of foreign drivers, to name just a few.

Regarding the TIR issue with Russia, we urge all parties involved to sit together and try to find a good solution as soon as possible. TIR is a tried and tested system that simplifies customs transit formalities and so avoids delays and queues at the border. These just add to the cost of trade between our countries, hampering trade and economic growth on all sides.

When it comes to the legal framework of our external road transport relations, the current patchwork of bilateral agreements between individual EU states and non-EU countries fails to deliver quick and effective solutions in the interests of the whole of Europe. We need to consider urgently how to address this.

Ladies and gentlemen,

These are just a few elements in the Commission's broader strategy that aims to prepare our road sector for a more sustainable and efficient future. There are of course many other important policy areas that will also contribute to this: our strengthened research and innovation strategy, the long-term vision for urban logistics, the revised policy for the Trans-European Transport Network, to name just a few.

We look forward to working closely with you in all of these areas, and for the success of our road initiatives next year — which promises to be a very busy and important one for the future of European road transport.

Thank you for your attention.