

# ANNUAL REPORT

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## 2005



# ECMT

EUROPEAN CONFERENCE  
OF MINISTERS OF TRANSPORT



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## 2005



EUROPEAN CONFERENCE  
OF MINISTERS OF TRANSPORT



JOINT OECD/ECMT  
TRANSPORT RESEARCH CENTRE



# 2005 IN PERSPECTIVE



**Jack Short**  
**Secretary General**

The year 2005 may well be seen as a momentous one in ECMT's long history. After more than 50 years as an essentially European body, Ministers at the annual session in Moscow decided the time had come to transform ECMT into a more Global body. There are several reasons behind this significant new initiative. First, there is a growing view among Ministers that transport does not get the public or policy attention it merits and that a reformed ECMT can help raise the profile of transport issues in public policy debates on a global scale. Second, there is the two-way policy challenge that transport is both a cause and a consequence of the rapid globalisation of societies and economies. It is increasingly necessary to modernize and improve transport links to obtain the full economic benefits from this globalisation process. The political changes on the European continent with an enlarged European Union is also an important factor. Finally, the reforms in ECMT adopted in 2003, including setting up the Joint Transport Research Centre with the OECD have started to show the benefits of cooperative and more global approaches to many transport issues.

Ministers set up a High Level Group to implement the ideas in the formal Declaration they made in Moscow. The High Level Group met twice in 2005 and is looking at all facets of the organisation, its objectives, structures, decision making, financing, outreach and links with industry and civil society. Ministers have asked for a Report in time to take decisions in Dublin in May 2006.

The Ministerial Session in Moscow was the highlight of this eventful year. The Russian Federation held the ECMT Presidency for the first time and did a spectacular job in organising a professional Ministerial Session with an opportunity also to get some glimpses of Russia's rich history and culture.

Also on the Ministerial Agenda in Moscow was an important discussion on Road Transport in Europe. The ECMT is well known for its multilateral licences which facilitate international trade and allow trips not otherwise permitted by the bilateral arrangements that still govern road freight transport outside the European Union. Ministers agreed a number of principles for the future development of the system and took some decisions on its practical operation. The debate showed that Europe remains divided on the principles and speed of market opening. In balancing the different economic factors, the weight given to national carriers remains important. Despite the current differences, the only long term solution seems to be to open markets to high quality standards, an aim that ECMT has pursued for many years.

Ministers also discussed the globalisation of transport and, in particular, the opening and improving of trade and transport links to Asia. It is clear that land routes can provide additional capacity and if properly organised can be extremely cost effective and efficient. Railway Reform completed the menu of principal topics for the Ministerial. ECMT research revealed differences in the way charges are formulated that complicate the operation of international services and in

some Central and Eastern Europe countries, rail freight are being damaged by excessively high charges. Guidance was adopted in Moscow, and subsequently in the European Union, for the development of efficient charges.

The new Joint OECD/ECMT Transport Research Centre completed its first full year of operation. An initial review showed that the new programme had depth and variety, building on the traditional economic strengths of ECMT and the technical and safety expertise of the OECD.

During 2005, several events were hosted by Member or Associate Countries. We would like to thank them all for their kindness and support. Lithuania hosted the Road Group, Malta the Road Safety workshop, Spain the Access and Inclusion Group, and for the first time in ECMT's history, an event on Urban Transport was organised in Japan. Research activities too were supported by countries and the United States, Spain, Hungary, Greece and France kindly hosted research working groups and other events of the Centre. Dutch sponsorship allowed an important study on environmental protection in waterways to be undertaken.

ECMT continues to work closely with many international organisations. During 2005, joint efforts with UNECE on Rail and Intermodal Transport as well as Statistics continued. Together with the World Bank and the World Health Organisation, a Road Safety Review of the Russian Federation is nearing completion. Jointly with IRU, a Seminar on Passenger Transport by Coach identified many issues and problems that require action. Also with IRU, studies on Transport Crime, especially attacks on drivers, as well as negotiations to improve Access to Taxis for all are being undertaken. Participation in EU events and activities also helps to ensure good coordination in many areas.

ECMT is an organisation that is led and managed by the Transport Authorities of its Member Countries. Given the scarce resources, their commitment, active participation and support are essential if ECMT is to continue providing the outputs and impacts that the Countries want. Under the leadership of its Members, the Secretariat looks forward to assisting in every way to ensure that the reformed ECMT will provide a valuable and cost effective service for its Members.

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# ABOUT ECMT

## An International Forum

*The European Conference of Ministers of Transport (ECMT) is an intergovernmental organisation established by a Protocol signed in Brussels on 17 October 1953. It is a forum in which Ministers responsible for transport, and more specifically the inland transport sector, can co-operate on policy. Within this forum, Ministers can openly discuss current problems and agree joint approaches for improving utilisation and rational development of European transport systems of international importance.*

*As of 31<sup>st</sup> December 2005, there are 43 full member countries, 7 associate member countries and 1 observer country.*

## MISSION

The role of ECMT is to:

- Help create an integrated transport system throughout the European continent that is economically and technically efficient, meets the highest possible safety and environmental standards and takes full account of the social dimension.
- Help build a bridge between the European Union and the rest of the European continent in the transport sector at a political level.
- Provide a forum for analysis and discussion on forward looking transport policy issues for all the countries involved.

## STRUCTURE

The Council of the Conference comprises the Ministers of Transport and is the main body of the Conference. A Chairman is appointed annually from the Council and is assisted by two Vice-Chairs in a Bureau appointed for a year from 1<sup>st</sup> July. An annual Ministerial Session of the Conference is hosted by the country holding the chairmanship. The main formal decisions of Ministers are contained in Resolutions, Recommendations and other acts agreed by the Council. These decisions and Resolutions, which cover a wide variety of subjects, are available on the ECMT web site.

A Committee of Deputies, composed of senior civil servants representing Ministers, prepares proposals for consideration by the Council of Ministers. The Committee is assisted by Working Groups, each of which has a specific mandate.

The Secretary General, Jack Short, heads the Secretariat in its role of assisting the statutory bodies. An organigramme at the end of the report presents the structure of the Secretariat.

Since 1 January 2004, ECMT and OECD have created a Joint Transport Research Centre which continues the previous programme of the OECD Road Transport Research and that of the ECMT Economic Research Centre. The ECMT Secretary General is the Director of the Centre.

[www.cemt.org](http://www.cemt.org)

Европейская  
Конференция  
Министров  
Транспорта



CEMT  
ECMT

МОСКВА 2005  
24 - 25 мая

Under the Chairmanship of Mr Igor LEVITIN,  
Minister of Transport of the Russian Federation,  
the ECMT Council of Ministers held its 89<sup>th</sup> Session  
on 24<sup>th</sup>-25<sup>th</sup> May 2005 in Moscow.

The session was formally opened by Mr M. E. FRADKOV,  
Prime Minister of the host country and Mr E. M. PRIMAКOV,  
Former Prime Minister, President of the Chamber  
of Commerce and Industry.





## THE MOSCOW COUNCIL IN BRIEF

The European Conference of Ministers of Transport (ECMT) held the 89th Session of its Council of Ministers in Moscow on 24 and 25 May 2005 under the chairmanship of its serving President, Mr Igor LEVITIN, Minister of Transport of the Russian Federation. The session was formally opened by Mr M. E. FRADKOV, Prime Minister of the Russian Federation and Mr E. M. PRIMAKOV, Former Prime Minister, President of the Chamber of Commerce and Industry. A special message from Mr. PUTIN, the President of the Russian Federation, was addressed to all participants.



*Ministers at the ECMT 89<sup>th</sup> Ministerial session*

Thirty-six Ministers and Secretaries of State from European Member countries and Associate countries from other continents took part.

The outcome of the Council's discussions was as follows:

### Europe-Asia links

The Council approved a series of **measures aimed at promoting an integrated approach to the provision of efficient transport links between Europe and Asia** including measures to improve land access to sea ports, provide adequate transport infrastructure and remove institutional and regulatory barriers to the provision of efficient transport services.

Ministers also adopted a **Plan of Action for the promotion of intermodal transport** on Europe-Asia links.

## Road transport

The Council set guidelines for implementing **reform of ECMT's multilateral quota of haulage licences** with effect from 1 January 2006. Among the main provisions are a redistribution of the quota among Member countries, the introduction of incentives for "Euro 4 safe" vehicles and tighter administration of the system with additional controls and penalties.

Ministers approved a new edition of the **Guide for government officials and carriers on the use of the ECMT multilateral quota**, which covers all of the provisions governing the multilateral quota system.

They also approved a series of **recommendations on phasing out discriminatory taxes and charges** levied on international road haulage.

The Council also took note of a report on **International Road Freight Transport**, which deals with market access conditions and the future of the multilateral quota.

## Rail transport

The Council adopted **recommendations on railway reform and charges for the use of rail infrastructure**. These provide guidance on the development of charges and are intended to promote rail freight through simplification of the charges applied along international freight corridors and an end to cross-subsidies from freight to passenger trains.

The Council also took note of recommendations on **the regulatory reform of railways in the host country, the Russian Federation**.

## Development of the ECMT

The Council adopted a **Declaration which aims to make the ECMT an international Ministerial forum with a more global dimension** covering all modes of transport.

To this end the Ministers of the ECMT invited **non-European Associate Member countries** to join with Member countries in exploring ways of strengthening co-operation between them.

They took note of a report highlighting issues which affect both **maritime and inland transport**. These are critically important for framing future transport policies and could be addressed by the ECMT in the future, broadening its traditional focus on purely inland transport issues.

The Council was also presented with a first report on the **activities of the Joint OECD/ECMT Transport Research Centre**, set up in January 2004.

## Intermodal transport and logistics

The Council of Ministers adopted a series of recommendations on the use of "**model**" **action plans and partnership agreements for intermodal transport**. These provide an agreed basis for governments and all of the actors in the sector to co operate with each other with a view to improving international intermodal transport services.

## New Bureau

In accordance with the provisions governing the Conference, the Council of Ministers elected its new Bureau, the members of which will take up their duties on 1 July 2005 for a period of twelve months. The Minister of Transport for **Ireland** was elected President of the Conference for this period. The **Bulgarian** Minister for Transport and Communications was appointed first Vice-President, with the second Vice-Presidency going to the **Finnish** Transport Minister.

## Next session

The next session of the Council of Ministers will take place in Dublin (Ireland) on 17 and 18 May 2006.



## PRESS RELEASE AFTER THE MEETING

The 89th Session of the Council of Ministers of the European Conference of Transport Ministers (ECMT)<sup>1</sup> was held in Moscow on 24 and 25 May 2005.

The session was chaired by Mr. Igor LEVITIN, Minister for Transport of the Russian Federation, the Conference's serving Chairman. It was opened by Mr. M. E. FRADKOV, Prime Minister of the Russian Federation and Mr. E. M. PRIMAKOV, Former Prime Minister, President of the Chamber of Commerce and Industry, while Mr. PUTIN, President of the Russian Federation addressed a special message to all participants. Thirty-six Ministers and Secretaries of State from countries in Europe and Associate and Member countries from other continents took part in person in this session.

Discussions began with the four topics central to this Council Session.

### Europe-Asia links

The spectacular growth of trade between Europe and Asia, triggered in particular by China's economic boom, has significantly increased freight transport between the two continents. The bulk of this traffic is catered for by maritime transport which will undoubtedly remain the key player in this market in the future.

The increase in maritime traffic is having to contend, both in Europe and in Asia, with growing problems of land access to ports which face an unprecedented increase in container business. Economic analysis shows that overland routes can in some cases be a viable alternative to maritime transport at the same time as improving links between ports and inland areas and particularly in central Asia, opening up the continental markets along the routes. While overland transport is probably not a definitive answer to the problems of access experienced by ports in Europe and Asia, it nevertheless does seem to be an option that is capable of absorbing quite a substantial share of the increase in the number of containers transiting between Europe and Asia, which is expected to total over 10 million boxes a year in ten years' time.

*1. The ECMT, which was founded on 17 October 1953, brings together the Transport Ministers of 43 European countries: Albania, Armenia, Austria, Azerbaijan, Belarus, Belgium, Bosnia-Herzegovina, Bulgaria, Croatia, the Czech Republic, Denmark, Estonia, Finland, France, FYR Macedonia, Georgia, Germany, Greece, Hungary, Iceland, Ireland, Italy, Latvia, Liechtenstein, Lithuania, Luxembourg, Malta, Moldova, Netherlands, Norway, Poland, Portugal, Romania, the Russian Federation, Serbia and Montenegro, Slovakia, Slovenia, Spain, Sweden, Switzerland, Turkey, Ukraine and the United Kingdom. There are 7 Associate Member countries: Australia, Canada, Japan, Korea, New Zealand, Mexico and the United States and one Observer country: Morocco.*



The opening up of efficient land routes between the two continents poses a number of difficulties which can only be overcome by taking the appropriate policy decisions now. On the basis of a report describing the growth in trade between Europe and Asia and the consequences for transport, Ministers approved a whole series of **measures aimed at developing a coherent approach to establishing efficient land haulage links between Europe and Asia.**

The measures cover:

- Improving land services to sea ports and interfaces between maritime and inland transport.
- Increasing capacity and providing adequate infrastructure; in this connection, Ministers requested that work currently being undertaken at both European Union and UN levels be expedited in order to define the main inland routes to be developed between Europe and Asia and identify priority investments to be made on these corridors.
- The removal of institutional and regulatory barriers to the provision of efficient transport services; the measures relate chiefly to the harmonisation of the legal and regulatory framework governing the conditions for the provision of Europe-Asia transport services in the countries concerned, streamlining administrative procedures, the abolition of taxes, duties and discriminatory practices, the simplification of formalities at border crossings, the reform of the railways, the development of information and communication technologies and transport safety and security.
- Inter-institutional co-operation between the various international and regional organisations responsible for establishing good transport links between Europe and Asia.



*Conference Room,  
World Trade Center, Moscow*

Since **intermodal solutions** offer some of the best prospects for overland haulage between Europe and Asia, the Council of Ministers also approved an Action Plan aimed at promoting this mode of transport on links between the two continents. The **Action Plan** provides for the definition of the main routes for intermodal transport and contains measures on border crossings, rail transport, simplifying the legal framework and new information and communications technologies.

## Road transport

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Access to the international road transport market in Europe has for years been a complex and controversial issue. The ECMT has helped to establish a certain equilibrium between market liberalisation and the harmonisation of conditions of competition thanks to its Resolutions and Recommendations, and also its multilateral quota system. Recently, the political situation has undergone some profound changes, particularly with the enlargement of the European Union and a large number of new countries joining the ECMT. The time seems right to review the way the international road haulage market is organised and establish some guidance on its future development.

To this end a report entitled "**International Road Freight Transport in Europe - Market Access and the Future of the Licence System**" was drafted by a group of independent experts and submitted to Ministers for discussion. It prompted a debate, not without controversy, on likely developments in market access conditions and quota systems for international road freight haulage. A number of broad directions emerged from the discussions. Ministers accepted that a trend towards the liberalisation of the international freight transport market is inevitable in the long run, but this can only be achieved very gradually and only if progress can be made at the same time on harmonising the conditions for competition. This will include tighter controls and stronger penalties for abuses of the ECMT's quota, additional conditions relating to vehicles, personnel and companies holding licences, restrictions on the number of trips between third countries and a more appropriate allocation of licences between members.

**The multilateral quota system** for road transport licences, introduced over 30 years ago, is undoubtedly one of the ECMT's most important contributions to the organisation of international road freight transport. While facilitating market access, the system has at the same time helped to improve the quality of transport, in particular by linking the issue of licences to the use of vehicles which are both safer and less harmful to the environment. Nevertheless, the system now needs to be reformed and adapted to the new political and economic conditions prevailing in Europe.

To this end, the Council of Ministers approved a number of guidelines for reforming the quota. The guidelines specify, among other things, that:

- The ECMT quota must stand for the highest quality standards in international road haulage.
- The quota must continue to contribute to developing more efficient and open markets.
- The quota must be accompanied by stricter controls and penalties.
- Distribution of the quota must be based on real needs and efficient utilisation.

Based on these principles, the Council of Ministers reached agreement on the following measures which will take effect from 1 January 2006:

- Redistribution of the quota for 2006 among Member countries, based on 10 criteria that reflect the real needs of the countries concerned.
- Introduction into the system of incentives for "Euro 4 safe" vehicles.
- Tighter controls on the use of licences and the publication of a good practice guide for controls and penalties.

The Council of Ministers also requested the Committee of Deputies to fine tune the economic parameters for the calculation of the quota for 2007 as well as take a final decision at their meeting in June 2005 on the issue of possible restrictions on the number of trips outside the vehicle's country of registration.

Following discussions on the quota, the Council of Ministers also adopted a revised edition of the **Guide for government officials and carriers on the use of the ECMT multilateral quota**, which contains all the provisions governing the ECMT's multilateral quota system. Before publication, the Guide will be amended to reflect the decisions taken at the Moscow session.

Under the item of the agenda on road transport one of the highlights of the Moscow session was unquestionably the report on phasing out **discriminatory charges in international road haulage**. Since 1999, the goal of the ECMT has been to see the abolition of transit taxes which present a barrier to international trade and distort competition. The document submitted to Ministers found that a small number of particularly heavy transit taxes were still being applied in Europe. It proposes a series of recommendations for phasing out all discriminatory charges on international road haulage.

These recommendations were approved by the Ministers, who also agreed to work towards their effective implementation. The recommendations aim to simplify road taxes and set them on a territorial basis (so that they are payable by all hauliers) rather than on the basis of nationality. In the short term, the emphasis should be on abolishing transit taxes/charges and replacing them with electronic kilometre charges, motorway tolls or Eurovignette-type charges, provided in the latter case that a daily rate option is available. In any event, notice of any change in the level or scope of application of an existing tax/charge should be given to ECMT at least one month prior to its entry into force, in order to ensure that hauliers can be notified in advance and to help prevent fraud.

## Rail transport

In 2002 the ECMT Council of Ministers adopted a Resolution on the development of European railways, the aim of which was to promote seamless rail services from one end of Europe to the other, and to help open up rail freight markets to competition. The Resolution stressed, in particular, the need to establish an appropriate set of **charges for the use of rail infrastructure** so as to guarantee non discriminatory access and efficient use of the network.

While much progress has been made since the Resolution was adopted, the lack of an appropriate set of charges means that there is still no real European dimension to the rail freight market, critical though that market is. Establishing simple and consistent charges for the use of infrastructure is a priority for international rail freight transport services which, moreover, are in many countries subsidizing passenger services by contributing more than they should to covering infrastructure costs. With a view to remedying this situation, the Council of Ministers adopted several recommendations aimed at promoting the introduction of more rational charges for the use of rail infrastructure. These recommendations are based on the conclusions of a report on rail reform and charges for the use of infrastructure, which was submitted to Ministers at the Moscow session. They relate primarily to:

- Harmonising charges for international rail freight services.
- Structuring charges for passenger and freight services so as to achieve the best balance between the competition and financial stability objectives.
- Coverage of the costs of infrastructure renewal.
- Defining adequate public information on rail costs and accounts.

Establishing appropriate charges for the use of rail infrastructure is one of the key measures still to be implemented in order for the ongoing reform of the railways in the host country to be complete. A document on **regulatory reform in the railways of the Russian Federation** was also submitted to the Council of Ministers for information under this item of the agenda. It reiterates the conclusions reached by a group of experts who carried out an in depth review of regulatory reform in the very substantial Russian rail market under the aegis of the ECMT.

## **Development of ECMT**

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At the session marking the ECMT's 50th anniversary, held in Brussels in 2003, the Council of Ministers agreed on the future directions for the ECMT. The decisions taken on that occasion focused, in particular, on widening the scope of the Conference's work to take a broader view of the transport system, increased emphasis on policy implementation and strengthening relations with non European Associate Member countries.

In order to give more tangible form to these guidelines, it had long been planned to include this question on the agenda for the Moscow meeting. An initiative from a number of countries under the Russian Presidency made this a particularly important agenda item and one of the key topics at the Council. The aim is to give the ECMT a more global dimension by transforming it into an international ministerial forum open to a large number of countries, dealing with all modes of transport and with the participation of high level representatives of economic and social interests.

The Council of Ministers approved the initiative, adopted a Declaration setting out the objectives it should seek to achieve and set up a high level group charged with looking in detail at how the ECMT could be developed into such an **international ministerial forum**, with all that this would

entail in terms of adjusting its structures. The Council of Ministers also invited **Associate Member countries** to engage in dialogue with ECMT Member countries in order to explore the possibility of establishing closer co operative ties and discuss how they could contribute to the establishment of an international ministerial forum. The Council of Ministers also took note of the conclusions of a report on possible ECMT initiatives on **maritime transport**. The report highlights issues that have both maritime and inland transport aspects of crucial importance for framing future transport policies and that could usefully be addressed in the ECMT framework, particularly if the Conference were to develop into an international ministerial forum with a geographical coverage extending beyond Europe.



*Mr. Gennadii Fadeev,  
President of Russian Railways (RZD) and  
Mr. Jack Short,  
Secretary General of the ECMT*

In Brussels in 2003, Ministers also said that they wanted to see the ECMT develop its research activities and, to this end, they set up a **Joint Transport Research Centre** with the OECD. The Centre, of which both the ECMT countries and Associate countries are full members, became operational on 1 January 2004. At the Centre's request, the Council of Ministers discussed a preliminary report on the Centre's activities at its meeting in Moscow. A more detailed appraisal of the Centre is to be presented at the next Ministerial session.

### **Intermodal transport and logistics**

Promoting better practices for co operation between players in international combined transport, at the policy as well as at technical and commercial levels, is undoubtedly one way of improving the competitiveness of international intermodal transport services.

This is the purpose of the series of recommendations on the use of "**model**" **action plans and partnership agreements for the development of intermodal transport** which was adopted by the Moscow Council of Ministers. The "model" action plans advocated provide an agreed basis for governments to co operate with each other on a bilateral or multilateral basis with a view to improving the competitiveness of international, intermodal transport services on specific intermodal transport lines. The "model" partnership agreements can provide an agreed basis for intermodal transport operators, railway undertakings, freight forwarders, rail infrastructure managers, terminal operators, border crossing authorities and parties involved in intermodal transport to conclude co operation agreements. The "model" action plans and partnership agreements approved by Ministers follow a framework that covers the scope of activities, objectives, actors, the division of responsibilities and role of governments, etc., but also with the activities to be undertaken and performance, control and monitoring schedules.

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*In accordance with the provisions governing the Conference, the Council of Ministers elected its new Bureau, the members of which will take up their duties on 1 July 2005 for a period of twelve months. The Minister of Transport for **Ireland** was elected President of the Conference for this period. The **Bulgarian** Minister for Transport and Communications was appointed first Vice-President, with the second Vice Presidency going to the **Finnish** Transport Minister.*

The next session of the Council of Ministers will take place in Dublin (Ireland) on 17 and 18 May 2006.





## MINISTERIAL DOCUMENTS

Documents indicated in blue are available from the web at:

[www.cemt.org/online/council/index.htm](http://www.cemt.org/online/council/index.htm)

### MAIN DISCUSSIONS

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#### *Globalisation: Europe-Asia links*

##### Europe-Asia links:

Synthesis report and political decisions required ..... CEMT/CM(2005)1

##### Europe-Asia intermodal transport:

Follow-up to Kiev Seminar (27-28 September 2004) .....CEMT/CM(2005)2

#### *Road transport: Reform of the Quota and access to the market*

##### International road freight transport in Europe -

##### Market access and the future of the Licence System:

Summary of the report of the Special Advisory Group .....CEMT/CM(2005)3

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##### Phasing out discriminatory charges in international

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#### *Rail transport*

##### Railway reform and charges for the use of infrastructure:

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#### *Development of ECMT*

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##### Progress with the Joint OECD/ECMT Transport Research Centre:

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### POINTS FOR APPROVAL

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##### Intermodal transport and logistics: "Model" action plans

##### and partnership agreements for the development of

intermodal transport at the pan-European level .....CEMT/CM(2005)10

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Activities of the UNECE .....	.CEMT/CM(2005)12
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### *Globalisation: Europe-Asia Links*

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Development of priority links between Europe and Asia: Contribution of the UNECE .....	.CEMT/CM(2005)14
Role of different Inland Transport Modes: Contributions of the IRU and the UIC .....	.CEMT/CM(2005)15

### *Road transport: Reform on the Quota and access to the market*

International road freight transport in Europe - Market access and the future of the Licence System: Report of the Special Advisory Group .....	.CEMT/CM(2005)16
Phasing out discriminatory charges in international road haulage: national data .....	.CEMT/CM(2005)17

### *Rail transport*

Railway reform and charges for the use of infrastructure: Report .....	.CEMT/CM(2005)18
Review of regulatory reform of railways in Russia .....	.CEMT/CM(2005)19

### *Development of ECMT*

JTRC Programme of Work 2004-2006: Current Position .....	.CEMT/CM(2005)20
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## LIST OF HEADS OF DELEGATIONS AT THE 2005 COUNCIL SESSION

### MEMBER COUNTRIES

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#### **ARMENIA**

Mr. Andranik MANUKYAN, Minister of Transport and Communications

#### **AUSTRIA**

Mr. Hubert GORBACH, Federal Minister for Transport, Innovation and Technique

#### **AZERBAIJAN**

Mr. Musa Sadi PANAKHOV, Deputy Minister, Ministry of Transport

#### **BELARUS**

Mr. Nikolai VERKHOVETS, First Deputy Minister, Ministry of Transport and Communication

#### **BELGIUM**

Mr. Pierre FORTON, Directeur Général, Service Public Fédéral Mobilité et Transports

#### **BOSNIA AND HERZEGOVINA**

Mr. Branko DOKIC, Minister of Communications and Transport

#### **BULGARIA**

Mr. Nikolay VASSILEV, Minister of Transport and Communications

#### **CROATIA**

Mr. Drazen BREGLEC, State Secretary, Ministry of Sea, Tourism, Transport and Development

#### **CZECH REPUBLIC**

Ms. Daniela KOVALCIKOVA, Deputy Minister, Ministry of Transport

#### **DENMARK**

Mr. Flemming HANSEN, Minister of Transport

#### **ESTONIA**

Mr. Edgar SAVISAAR, Minister of Economic Affairs and Communications

#### **FINLAND**

Ms. Leena LUHTANEN, Minister of Transport and Communications

#### **FYR MACEDONIA**

Mr. Xhemali MEHAZI, Minister of Transport and Communications

#### **FRANCE**

Mr. Philippe MALER, Directeur Adjoint des Transports Terrestres, Ministère de l'Équipement, des Transports, du Logement, du Tourisme et de la Mer

### **GEORGIA**

Mr. Kakha SEKHNIASHVILI, Deputy Minister, Ministry of Economic Development

### **GERMANY**

Mr. Manfred STOLPE, Federal Minister of Transport, Building and Housing

### **GREECE**

Ms. Anastasia VLAVIANOY, Minister-Counsellor, Embassy of Greece

### **HUNGARY**

Mr. György GILYAN, State Secretary, Ministry of Economy and Transport

### **ICELAND**

Mr. Ragnahildur HJALTOTDIR, Permanent Secretary, Ministry of Communications

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Mr. Pietro LUNARDI, Minister of Infrastructure and Transport

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Mr. Ainars SLESER, Deputy Prime Minister, Acting Minister of Transport and Communications, Ministry of Transport and Communications

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Mr. Hubert BÜCHEL, Ambassador/Director, Office of Economic Affairs

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### **MALTA**

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Mr. Eugeniy A. CHERVONENKO, Minister of Transport and Communications

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Mr. John STEVENS, Divisional Manager for Europe, Department for Transport

## ASSOCIATED COUNTRIES

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### *CANADA*

Mr. Louis RANGER, Deputy Minister, Transport Canada

### *JAPAN*

Mr. Hayao HORA, Deputy Minister, Ministry of Land, Infrastructure and Transport

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Mr. HAE-SUNG, Director General Surface Transportation Bureau,  
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### *MEXICO*

Mr. Pedro CERISOLA Y WEBER, Secretary of Communications and Transport,  
Secretariat of Communications and Transport

### *UNITED STATES*

Mr. Jeffrey SHANE, Under Secretary of Transportation for Policy, U.S. Department of  
Transportation

## OBSERVER COUNTRY

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### *MOROCCO*

Mr. Azzedine CHRAIBI, Secrétaire Permanent du Comité National de Prévention des Accidents  
de la Circulation, Ministère de l'Équipement et du Transport

### THE FUTURE OF THE ECMT

[CM(2005)7/FINAL]

#### DECLARATION OF THE COUNCIL OF MINISTERS

Over the last 50 years, the ECMT has been an important forum for the exchange of opinions on medium and long-term transport policy directions in Europe. The large number of ECMT Member States shows the great importance attached to this organization.

In view of the doubling of the number of its Member States in the 1990s and completely different political circumstances, the ECMT faces once again, after more than 50 years, the challenge of finding an adequate organizational structure for itself.

First steps were taken in 2001 when Council established the ad-hoc working group "Future Direction of ECMT". This working group made a valuable contribution since then, particularly the report and Declaration which were adopted at the Council of Ministers in Brussels in April 2003. Important new initiatives that have been made since then include ideas to incorporate additional modes of transport and non-European states as well as change the structure of the organisation.

Today we are faced in a very fundamental way with the challenge of placing the political and economic importance of transport and logistics at the centre of general policy making and we are faced with the challenge of adapting international conferences and meetings to the requirements of a modern media and public relations work.

Transport and logistics are on the one hand a central prerequisite for economic growth, and on the other hand they are an integral part of economic development itself. They account for a large part of the gross national product and for a considerable share of the entire working population.

In order to attribute to transport policy issues the position they deserve:

- Discussion in the ECMT must focus more on global political and economic aspects.
- Public awareness of ECMT policy and research work must be increased.
- Transport policy issues must be elaborated in a way which ensures that they are capable of gaining a strong influence on general policy.
- The organizational structure of the ECMT must be efficiently orientated towards these objectives in terms of use of financial resources and personnel.

This should be achieved by transforming the ECMT into an attractive and publicly recognized international Ministerial forum which increases the understanding of the importance of transport as an essential economic factor while at the same time preserving and promoting the body's existing strengths in policy and research. The forum should deal with all modes of transport while taking into account the role of other bodies working in similar areas, and especially the UN relevant bodies. The Ministers will invite high ranking social and economic representatives to attend this forum as additional speakers and discussion partners. From an early stage representatives of major non-European countries should be involved.

The existing working group structure will be reviewed with the expectation that the number of groups will be reduced in a reasonable way. The future agenda of the forum can to a large extent be supported by ad-hoc groups.

ECMT needs to become a more global platform in order to address important issues of a global nature in areas such as safety, sustainability and the role of transport as a key driving force for economic growth and a key item on the political agenda. The reformed organisation ought to be flexible and politically responsive. In essence, it should serve as a pre-negotiation platform and think tank.

Therefore, Ministers:

- Agree to establish a High-Level Group of a limited but representative number of persons appointed by Ministers from Member and Associate Countries and the Secretary-General of the ECMT to prepare detailed proposals for the establishment of an international Ministerial forum and for structural reforms to ensure the effectiveness of the transformed body.
- Request the submission of these proposals for decision at the Council in Dublin in 2006.

***Declaration available at: [www.cemt.org/online/council/index.htm](http://www.cemt.org/online/council/index.htm)***

## EUROPE-ASIA LINKS POLITICAL DECISIONS REQUIRED

[CM(2005)1]

Whatever the effort to develop efficient land links, maritime transport will remain a key player in the Europe-Asia transport market. While shipping companies and ports may be able to cope with the expected increase in maritime traffic, particularly container traffic, inland transport modes for hauls between ports and their hinterlands are not. The risks of saturation on road networks to these ports are high, while rail and inland waterway often have insufficient capacity. It is therefore crucial that Governments take the necessary action, particularly on infrastructure, to improve land access to sea ports; for instance, by developing appropriate rail or inland waterway links and facilitating intermodal transfer between inland and waterway modes.

The Council of Ministers of the ECMT agreed to foster all measures with the potential to improve land access to sea ports and interfaces between sea transport and inland transport.

Other policy action is also crucial for the development of inland transport services on Europe-Asia links as a complement to sea transport. It must be said that the development of any genuine inter-regional links along Europe-Asia routes, whether from a practical, legal or institutional standpoint, is still severely hampered even today. Establishing land transport links between Europe and Asia raises a number of problems that can only be overcome by the appropriate policy decisions. These – and they are undeniably a challenge in today's context of globalisation and internationalisation – chiefly concern:

- Adapting capacity and making adequate infrastructure available.
- Opening and operating networks that are interoperable, which requires, among other things, the regulation of transport markets and an appropriate regulatory framework.
- Reforming the railways in order to increase productivity.
- Facilitating border crossings.
- Safety and crime prevention.

## **ADAPTING CAPACITY AND MAKING ADEQUATE INFRASTRUCTURE AVAILABLE**

The provision of good-quality land links between Europe and Asia requires investment in order to bring existing infrastructure up to standard and to build missing links, chiefly in border areas in view of the fact that links between neighbouring countries often seem to be less well developed than national networks. The limited resources available and the need to ensure good co-ordination between projects will entail the development of a planning process on an international scale and the selection of projects after an in-depth review of their suitability.

In accordance with the strategy defined in the Declaration on transport infrastructure planning in a wider Europe that was adopted by the ECMT Council of Ministers in Ljubljana in May 2004, priority should be given to an approach based on the major corridors between Europe and Asia as this seems to be the only one that would facilitate the provision of genuinely efficient services for long haul transport.

As stated in the Ljubljana Declaration, it is important that the definition of these corridors and the associated investment projects be based on real needs and on well-defined criteria. It is also crucial that they be viewed from a multimodal perspective and be consistent with local and regional projects and national networks so that the countries they pass through will derive maximum benefit from them and so that network continuity will be ensured, thus facilitating the operation of international services. A number of initiatives in this area have already been launched both by international governmental bodies and by industry organisations. A strong policy signal from the Ministers of Transport of the ECMT is therefore necessary to secure good co-ordination and genuine convergence of all of these initiatives.

In order to ensure the coherent development of land transport infrastructure between Europe and Asia, the Council of Ministers of the ECMT has agreed to:

- Support the continuation of the UNECE and ESCAP programme [see document CEMT/CM(2005)14] to develop Europe-Asia transport links so that the choice of main land routes to be developed between Europe and Asia can be finalised before the end of 2005 on the basis of the draft agreement reached at the meeting of experts in Odessa from 3 to 5 November 2004, and then implemented.
- Invite the European Commission and the UNECE/ESCAP to work together rapidly on ensuring good co-ordination between the work of the High-Level Group on extension of the major trans-European transport axes to the neighbouring countries and regions and that of the UNECE/ESCAP programme on the development of Europe-Asia transport links, the aim being to avoid any gaps in continuity between the five to seven axes to be selected by the High-Level Group and the eight to ten routes adopted at the Odessa meeting.



- To stress the need to adopt a multimodal perspective in defining the main corridors between Europe and Asia in order to facilitate the development of intermodal transport along these corridors and to that end:
  - Approve the conclusions of the Kiev Seminar on intermodal transport between Europe and Asia [document CEMT/CM(2005)2] and the Action Plan proposed.
  - Encourage the UIC to continue its action to develop the Northern East West Freight Corridor (NEW) and to ensure that it is fully consistent with overall planning of the Europe-Asia Corridors [document CEMT/CM(2005)15], to conduct trial runs so that container block-trains can operate on this corridor and to create a few major hubs in Europe and Asia with a view to consolidating container block-train traffic between the two continents.
- Work to ensure the rapid development of a method for identifying priority investments for Europe-Asia corridors, based on an inventory of the main physical barriers, in accordance with the criteria proposed by the UNECE/ESCAP at the Odessa meeting drawn from experience with the TEM and TER Master Plans while at the same time ensuring that they are compatible with those selected by the Commission's High-Level Group.
- Invite the countries concerned to make a firm commitment to implement the projects selected, propose realistic finance schemes and provide for completion of the work by 2020 at the latest, the same target date adopted by the EU High-Level Group.

## **REMOVING BARRIERS TO THE PROVISION OF EFFICIENT TRANSPORT SERVICES**

Creating Europe-Asia corridors by building the appropriate infrastructure makes sense only if the transport services that can be provided on them are not hampered by a series of barriers that restrict operating conditions and make those services less competitive than maritime transport. Among the main barriers identified in report CEMT/CM(2005)13 on trends in trade and at the Kiev Seminar on intermodal transport between Europe and Asia [document CEMT/CM(2005)2] are the lack of harmonisation of regulatory provisions for the transport market, the inefficiency of rail, difficulties at border crossings, the use of obsolete transport and information technologies, lack of safety and illegal practices.

From the standpoint of harmonising market regulation, it is seen as crucial that any solutions sought be based on existing international agreements, particularly the United Nations Conventions. There could be nothing worse for Europe-Asia links – as some recent initiatives give grounds for fearing – than the parallel development of regional legal systems in total disregard of the international agreements already in force in many countries involved in these links.

Development of this sort could in no way meet the requirements of globalisation of trade or the needs of logistics supply chains. Efforts by the Council of Ministers of the ECMT to promote multilateral co-operation among all the countries and organisations concerned on the genuine integration of Europe-Asia transport systems are therefore warranted.

However, the main weaknesses mentioned as a barrier to the real growth of land transport between Europe and Asia today are undoubtedly the recurrent problems encountered at border crossings and the facilitation of procedures currently in force is a real priority.

In order to enable truly competitive operation of the various modes of land transport on Europe-Asia links, the ECMT Council of Ministers is invited to take action to see that there is an effective follow-up to the Declarations issued at the St. Petersburg Conferences on transport between Europe and Asia.

To this end, the Council of Ministers of the ECMT has agreed to take all appropriate steps with all of the countries and organisations involved in the Europe-Asia links to:

- Promote a process of integration of Europe-Asia transport, by encouraging the convergence of national regulations and harmonising the legal and regulatory framework governing the conditions for the provision of transport on the basis of international agreements, ECMT Resolutions, UNECE conventions and the legislation and transport policy guidelines of the European Union.
- Encourage countries that are not ECMT Member countries but are concerned with Europe-Asia links to implement the United Nations conventions listed in UNESCAP Resolution No. 48/11 on the facilitation of road and rail transport as well as other key agreements and conventions such as the ADR or the AETR Agreements [see document CEMT/CM(2005)15].
- Streamline administrative procedures that are particularly heavy on Europe-Asia links, for which protectionist considerations are often the only justification.
- Eliminate discriminatory charges, fees and other practices which affect road transport in particular and, to this end, draft an inventory of these charges along the lines of the inventory produced for ECMT countries [document CEMT/CM(2005)17].
- Encourage the reform of the railways in accordance with the principles set forth in ECMT Resolution 2002/1 in order to:
  - Significantly increase productivity and reduce costs through better utilisation of rolling stock and staff.
  - Implement harmonised pricing and charging policies.
  - Improve network interoperability.

- Encourage the development of intermodal transport by:
  - Speeding the signature of the UNECE AGTC Agreement and its Protocol on inland waterway transport by the countries of Eastern Europe, the Caucasus and Central Asia.
  - Promoting measures designed to improve train running conditions at locations where there are changes in gauge and to develop rolling stock to make transshipment unnecessary at such locations.
  - Consultations on the selection of modal interface locations and the creation of a network of logistics centres based on a limited number of well-equipped hubs.
  - More generally, implementing the various measures contained in the conclusions of the Kiev Seminar on intermodal transport between Europe and Asia [see document CEMT/CM(2005)2].
- Enable the development of harmonised information and communication technologies in the countries of Europe and Asia with a view to facilitating the exchange of data and freight flow monitoring while increasing transport security.
- Facilitate border crossings, particularly for transit traffic, by:
  - Simplifying and harmonising border control procedures and ensuring co-ordination between the transport, customs and controlling authorities responsible.
  - Widespread application of the measures recommended in ECMT Resolutions No. 99/2 and 2002/3 and in the Recommendations adopted by ECMT Ministers in Ljubljana [see document CEMT/CM(2004)7].
  - Ratification and implementation of the UNECE International Convention on the Harmonization of Frontier Controls of Goods.
  - Effective implementation of the provisions of the TIR Convention and extending its scope of application to countries that have not yet ratified it, particularly ESCAP countries, not least China [see document CEMT/CM(2005)15].
  - Using way bills, particularly for container transport by rail, as the only papers to be presented to customs or transport authorities [see document CEMT/CS(2005)15].
- Implement the measures necessary to ensure transport safety and security by:
  - Extending the application of ECMT Resolution No. 99/3 on crime and fraud in transport, ECMT Recommendations on the security of intermodal container transport [see document CEMT/CM(2004)6] together with the provisions contained in the Ministerial Declarations of 2002 and 2004 on the prevention of terrorism.
  - Exchanging information on best practice in this field.

## **FINAL PROVISIONS**

For the purposes of bringing these actions into practical effect and monitoring their implementation,

The Council of Ministers has:

- Requested that the resources for strengthening the inter-institutional co-operation that is essential for developing transport links between Europe and Asia be secured, particularly as pertains to ECMT co-operation in its relations with international intergovernmental institutions that are active in this field, such as the European Union, UNECE, ESCAP and the CTM/CIS.
- Encouraged regional organisations such as BSEC et TRACECA to take all necessary steps to implement the actions outlined above and to strengthen regional co-operation on transport.
- Requested the Committee of Deputies:
  - To undertake a study on the consequences of the growth in traffic between Europe and Asia for the organisation of transport and infrastructure in ECMT Member countries.
  - To report back to it regularly on the development of land transport links between Europe and Asia and the measures implemented to overcome barriers likely to hamper the establishment of efficient transport services on these links.
  - To take the necessary steps to ensure that this document is circulated to all countries that are not ECMT Member countries but are concerned with the development of Europe-Asia transport links so that the recommended action can be implemented and consultations with the ECMT arranged to this end.

***Declaration available at: [www.cemt.org/online/council/index.htm](http://www.cemt.org/online/council/index.htm)***

## EUROPE ASIA INTERMODAL TRANSPORT

[CM(2005)2]

### FOLLOW UP TO THE INTERNATIONAL SEMINAR "INTERMODAL TRANSPORT BETWEEN EUROPE AND ASIA: OPPORTUNITIES AND CHALLENGES"

KIEV (UKRAINE) 27-28 SEPTEMBER 2004

Following the seminar on "Intermodal Transport between Europe and Asia: Opportunities and Challenges" held in Kiev on 27 and 28 September 2004, Ministers at the Ministerial Meeting in Moscow on 24 and 25 May 2005:

- **Noted** the conclusions of the Kiev Seminar, as contained under item A hereafter underlining the close co-operation built up in this respect both by the ECMT and the UN Regional Commissions concerned (UNECE and UNESCAP).
- **Mandated** the Deputies to see to the implementation of the measures required to achieve the objectives referred to under item B.
- **Approved** the Action Plan proposed under item C as a follow up to the Kiev Seminar.
- To this end, **entrusted the Joint ECMT/UNECE Working Group** on Intermodal Transport and Logistics with responsibility for co ordination and for providing countries which so wish with assistance in this area, and mandate it to report on progress made with respect to any additional recommendations.

#### A. CONCLUSIONS OF THE KIEV SEMINAR

At the end of the Seminar, the following conclusions were adopted:

*"Representatives of transport authorities of European, Central Asian and Caucasus States, ECMT, UNECE, UNESCAP, EU and other international organisations as well as transport unions and associations and other concerned bodies, which took part in the international Seminar held in Kiev on 27 and 28 September 2004,*

**TAKING INTO ACCOUNT** the importance and timeliness of efforts to develop intermodal transport communications for the sustainable development of international traffic in the European and Asian direction;

**SUPPORTING** the initiatives of the Member States for acceleration of intermodal transport development, creation of up to date transport infrastructure and the introduction of new technologies;

**CONFIRMING** their adherence to the resolutions of international Conferences adopted before, as well as the provisions of relevant International Transport Conventions and Treaties;

**ACKNOWLEDGING** the efforts of ECMT, UNECE, UNESCAP and the EU TRACECA Programme for the development of European and Asian transport links directed to a consistent, co-ordinated and harmonious development of the transport infrastructure on the Continent;

**WELCOMING** the initiative taken by ECMT and UNECE to work in partnership towards the development of intermodal transport and logistics;

**HAVING DISCUSSED** the prospects of intermodal transport and ways for improving its organization;

**HAVE CONSIDERED** that the main lines of further joint activities for the creation of effective intermodal land transport links between Europe and Asia should be as follows:

- Combining efforts in order to increase the efficiency of measures taken to raise the volumes of intermodal transport through the development of technical and technological capacities of transport infrastructures of the Member States;
- Increase in the co-ordination of activities of transport, Customs and border authorities of the Member States for simplification of border crossing procedures for freight transportation using intermodal transport;
- Removal of physical and non-physical obstacles that impede passing of traffic between the countries of the European and Asian region;
- Enlargement of the network of intermodal transport by faster accession of the countries of Eastern Europe, Central Asia and the Caucasus to the AGTC Agreement and its Protocol on combined transport on inland waterways;
- Development and implementation of joint investment projects and ensuring their financing;
- Acceleration of freight traffic by rail in gauge interchange stations;
- Creation of a network of logistics centers and information support for freight transport;
- Implementation of harmonized tariff and price policies;
- Development of rail ferry lines in the region of the Black Sea, the Sea of Azov and the Caspian Sea and improved use of the inland waterways for intermodal transport;
- Increased use of rail transit capacities for intermodal freight transport for passage from China to Europe via Kazakhstan, Turkmenistan, Iran, Russian Federation, Belarus, the Caucasus States, Ukraine and Turkey;

- Support to the United Nations Development Account Project on capacity building for developing, in particular, Euro Asian transport linkages, jointly carried out by the UNECE and UNESCAP;
- Harmonisation of the regulatory and legal frameworks in the field of transport of the Member States on the basis of international agreements, ECMT resolutions, UNECE Conventions and the legislation and principles of EU transport policy.

**ASK THE INTERNATIONAL ORGANISATIONS** involved to follow up and deal concretely with the issues and problems above and to make available all the information provided during the Seminar to a wide audience.

**EXPRESS** their confidence that the results of the international Seminar will contribute to a better co-ordination of activities for further development of intermodal transport that can serve the dynamically developing trade and economic relations between the States of Europe, the Near and Middle East, Asia and other territories and increases the effectiveness of the Euro-Asian transport system as a whole."

## **B. LESSONS**

Reports and discussions held during the Seminar brought to the fore a certain number of specific considerations to be dealt as a priority when promoting intermodality between the European and Asian continents:

- Effective **inter institutional** co-operation is a prerequisite for any further development of such interregional exchanges. Having said that, their diversity and frequency require increased co-ordination between actors at both national and inter governmental levels. In this respect, the various declarations already available following the three International Conferences on Europe Asia Transport held in St Petersburg in 1998, 2000 and 2003, should be taken into consideration as should the report on the 2nd meeting of the UNECE UNESCAP Expert Group on the Development on Europe Asian Transport Linkages, held on 3 to 5 November 2004 in Odessa.
- The main weakness identified for an effective development of transport linkages between Europe and Asia are the persistent problems at **border crossings**. Facilitation of border crossing procedures, particularly in rail transport, is therefore of utmost importance.
- As far as land linkages between Europe and Asia are concerned, the weak **rail services** should also be stressed, but in this respect, and contrary to what has been underlined in the ECMT Consolidated Resolution, it is less the **quality** of rail services which must be considered, than the **interoperability** of rail networks, and first and foremost the main freight routes, to be achieved.



- Among the modes, **waterways** have some importance as far as North South relations between Europe and Asia are concerned, as well as **short sea shipping** for the Mediterranean-Black Sea linkages, but **rail transport** should be further developed in East West linkages.

### C. FOLLOW-UP

The considerations developed above show that co-operation between the various international institutions concerned with the development of land transport between Europe and Asia, should be further enhanced and could be guided by a framework action plan, which could be as follows:

- Identify the **main lines** where action is needed as a matter of priority, taking into account:
  - The need to consider consistency between international agreements (AGTC, AGC...), the reference documents used by the infrastructure managers grouped in the EIM and the TERFN networks.
  - Analysis of the lines identified in the report by the group of UNECE UNESCAP experts which met in Odessa in November 2004 and those contained in the report by the UNECE Working Party on Rail Transport in 2004 (TRANS/SC2/2004/3).
  - Progress on the projected pan-European transport corridors.
- Give priority to facilitating border crossings, all components and all modes combined, but with the focus on rail transport in particular.
- Where the railways are concerned:
  - Give priority to gauge interchange points, and so as to have not only a coherent investment programme but also an appropriate logistical approach,
  - Make pertinent choices concerning interface points between modes - transshipment platforms.
  - Improve the interface between sea ports, railways and inland waterways.
- Define a **simplified legal framework** so as to avoid any duplication and cover operators from one end to the other of the transport chain thus formed and, with regard to facilitating border crossings, draw up simplified administrative and customs procedures so as to improve the efficiency of the transport chain.
- Develop new **information and communication technologies**, within a common framework, so as to facilitate trade and make it easier to track freight flows.



# INTERNATIONAL ROAD FREIGHT TRANSPORT IN EUROPE - MARKET ACCESS AND THE FUTURE OF THE LICENCE SYSTEM

[CM(2005)3]

The report of the Special Advisory Group on International Road Freight Transport in Europe - Market Access and the Future of the Licence System [CEMT/CM(2005)16] has been written by Professor Maurice Bernadet of the L.E.T. in Lyon with the assistance of:

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The views expressed in this report as a contribution for the Ministerial debate are those of the Special Advisory Group and do not necessarily reflect those of the Member countries or the Secretariat.

## SUMMARY

The report provides a medium and long-term analysis of the principles that should govern access to the road freight transport market within the European area.

The **first part** of the report shows that the liberalisation of market access is a positive and inevitable development.

This liberalisation is positive in the light of the theory of the international division of labour, which shows that the liberalisation of international trade in goods and services leads to a situation that is on the whole beneficial to all countries. However, it also shows that in the short term the adjustments generated by liberalisation can adversely affect stakeholders in more developed countries because of lower costs from newcomers and encourage relocation of production to "poor" countries. This can explain the reluctance of carriers in "rich" countries to support a further extension of this liberalisation, which is currently limited to the European Economic Area. It should however be noted that consumers in "rich" countries benefit also from reductions in transport costs. "Rich" countries can also benefit significantly through their exports of high technology vehicles and equipment as well as through the provision of sophisticated logistic services to the "poor" countries. The argument of a supposed "inferior quality" of service from new entrants is not valid either as the imposition of strict environmental and safety standards requires them to purchase and use the highest quality vehicles, which are available only in the countries with the most advanced technology.

The liberalisation of market access is also inevitable, given the economic and political context in Europe which is characterised by:

- Strong projected economic growth for the European countries outside the EU, and still higher growth in these countries' trade with EU-25, while road transport will continue to be important.
- The liberalisation of road transport within the EU, which is justified by solid arguments that can also be applied to relations between EU countries and third countries.
- The evolution and effective enforcement of international law (in particular, the freedom of transit provided for by the GATT).

The report also argues that while harmonisation is essential and improves the efficiency of liberalisation, waiting for harmonisation to be fully achieved will delay liberalisation indefinitely. Progress is needed in both areas.

The **second part** gives an overview of the current situation in ECMT, in which relations between countries in the European Union and those outside are characterised by the fact that there are many bilateral licences but only few multilateral licences.

The advantages and disadvantages of bilateral and multilateral systems are set out. On the one hand, bilateral systems allow States to protect national interests, to negotiate solutions to other problems, to manage the pace of change and to deal with enforcement and sanctions problems directly. On the other hand, bilateral systems lead to segmented markets, are not transparent, may be discriminatory, may influence trade relations and can be costly to manage.

This second part also sets out the criticisms usually made of the multilateral system, showing that some of these are not entirely relevant, but also acknowledging that others are justified and must therefore be corrected. The main weakness of multilateral systems like the ECMT one is the absence of legally enforceable control and sanction mechanisms. Countries need either to increase trust among them or provide more scope to ECMT to deal with infringements.

In any case, the report argues that all these quantitative systems are expensive to manage and open to abuse. Therefore a move away from quantitative systems to quality ones is preferred. Similarly, a gradual move from bilateralism towards multilateralism seems desirable. While recognising that many countries wish to maintain bilateral systems, the report argues that the ultimate objective should be to eliminate them.

On the basis of this overview, the **third part** of the report presents proposals, the spirit of which can be summarised as follows: European States must move towards greater liberalisation, but this process must be regulated by provisions that limit the disadvantages of liberalisation.

More specifically, this third part proposes the following, in a balanced manner:

- An objective: the gradual increase in the quota of multilateral licences, which will replace bilateral licences, so that by 2020 the liberalisation of international transport would be complete, with quantitative restrictions to market access being eliminated at that date.
- A strengthening of safeguards through progress in the following fields:
  - Enforcement and penalties, by giving the ECMT a stronger role in these fields if the existing distrust between countries persists.
  - Harmonisation of competitive conditions, in particular by imposing specific requirements for vehicles, staff and firms eligible for multilateral licences.
  - Compliance with the intended purpose of multilateral licences in order to prevent them from being used primarily to engage in "cabotage" across the European Union, by limiting the number of trips that licence-holders can make between third countries.
  - Apportionment of the quota amongst ECMT Member countries, through a pragmatic approach aimed at adjusting the number of licences granted to each country to its actual use of the licences received.

The report's conclusions are based on two convictions:

- It is not possible, given the economic and political context in Europe, to maintain constraints as stringent as those that result when road transport is organised primarily on the basis of bilateral licences. Moving towards liberalisation is both necessary and inevitable. This can be achieved by gradually increasing the number of multilateral licences to be substituted for bilateral ones.
- Countries fearing that this liberalisation will take the form of unbridled competition and will unduly jeopardise the interests of their carriers must be given assurances that the "rules of the game", which for that matter can be strengthened, will be complied with.

It will no doubt be difficult to strike a balance between these two concerns. But it is by seeking to strike that balance that we can hope to work our way out of a situation that today seems to be at an impasse.

*Document available at: [www.cemt.org/online/council/index.htm](http://www.cemt.org/online/council/index.htm)*

# REFORM OF THE QUOTA AS FROM 1<sup>ST</sup> JANUARY 2006

[CM(2005)4/FINAL]

## INTRODUCTION

### Background

The ECMT Multilateral quota system was first introduced in 1974. Licences issued under the scheme allow hauliers to carry loads between ECMT countries other than the country of vehicle registration. It has developed especially during the 1990's and the number of basic licences grew from 1 219 (19 countries) licences in 1990 to 5 977 (42 countries) in 2004. In addition there were different forms of incentives applied to encourage the purchase of clean and safe vehicles which meant that the total number of licences increased faster than the basic quota. In 2004, 31 664 licences were issued for all ECMT Member countries participating in the system.

The multilateral quota system however accounts for a relatively small proportion of total international road haulage traffic on the ECMT territory.

The Council of Ministers in 2003 gave a mandate to the Committee of Deputies to make proposals, at the Ministerial Session in Moscow, on reforming the multilateral quota system. The mandate was set out in document CEMT/CM(2003)15/FINAL.

The main reasons for this reform are the increase in the number of Member countries of the European Union, problems of equity between countries, a need for modernisation of the system and problems of licences not being used for the purpose intended.

### Objectives of the Quota System

The original purpose of the ECMT licences was to improve efficiency in road haulage by allowing licence holders to carry out multilateral operations. The stated objectives for the system also included the need to avoid empty running and to support the trading needs of Member countries. During the 1990's the quota acquired the objective to be an instrument to integrate transport markets (cf. Resolution No. 95/1) and to contribute to a move from a bilateral system towards a multilateral one. Also, from the early 1990's, the system evolved and an important objective was to provide incentives to use clean and safe vehicles as well as well trained personnel.

All of these objectives remain valid and therefore Countries agree that the system is still needed. They also agree that reform is required and the proposals are set out in the following text. An underlying aim of these reforms is that the quota should become a symbol of the highest quality in international road transport.

## PRINCIPLES

During previous discussions at Ministerial sessions, the following principles for reform were agreed:

- The modernisation of the system should not make any distinction or discrimination between the rights of individual Member countries.
- The reform of the system must also take into account the need to limit trips between EU countries by hauliers registered in non EU countries.
- All Member States wish to avoid an increase in bureaucracy while introducing the modernised system.
- Modernisation of the system must also include the development of an up to date, flexible but strict control system.
- Any liberalization must be accompanied by harmonization of competitive conditions among hauliers on the road transport market, especially as far as social aspects are concerned.

The discussions gave indications on what could be the principles for a long term evolution of the multilateral quota system.

- *The quota should become a symbol of the highest quality in International Road transport.*
- *The quota should continue to contribute to improving efficiency and opening markets.*
- *The quota should seek to strengthen and harmonize controls and sanctions.*
- *The quota of licences should be distributed on the basis of real needs and efficient use.*

Whatever method for adjusting the allocations of licences in the future, several Countries were unhappy with the present allocation, believing it to be inequitable and not reflecting the underlying economic situation.

It was therefore agreed, after consideration of different options that a new proposal to allocate licences from 1st January 2006 would be made using the best available objective data. This proposal was submitted to Ministers at the session in Moscow and adopted for an application from 1st January 2006. This proposal is described in the next section.

## REFORM FROM 1<sup>ST</sup> JANUARY 2006

The reform adopted deals with four headings:

### Redistribution of the Quota among Member countries

On the basis of ten criteria defined during the meeting of the Group on Road Transport of 15 November 2004, a series of statistical tables were drawn up on the basis of the most reliable sources possible for all Member countries.

The countries were ranked on each of these ten criteria and an average was taken in order to provide a new ranking of the countries for licence allocation. The ten criteria being used include GDP, contribution to ECMT budget, whether in EU or not, trade data and so on.

By combining some of the suggestions contained in the report of the Special Advisory Group also presented at the Ministerial session in Moscow, the proposals by the UK Delegation and the discussions in the Committee of Deputies, the following was agreed by Ministers in Moscow as of *1st January 2006*<sup>1</sup> :

- The basic quotas will be revised for **all ECMT Member countries** on the basis of commonly agreed statistical data and methodology. Ten criteria were accepted by the Ministers.
  - Based on the new average ranking of the ten criteria and applying the same method of distribution of licenses as before, based on 10 groups of countries, a distribution of the quota with a minimum quota of 30 licences was set up.
  - Though it could be considered that the new ranking based on the ten criteria better reflects some of the underlying economic factors on the international road market in ECMT area and the needs for licences, it must be pointed out that such methods have inherent limits due to the availability and the quality of the data.
  - The calculations used assume that the total number of licences remains the same (this has been requested by some countries, arguing, inter alia, that the growth in road transport should be limited and a better modal split sought). This imposes a reduction of the minimum quota, as otherwise the problems of inequity cannot be resolved.
- Another important factor is that the present distribution system, which is itself far from objective, has granted rights (grandfather rights) which will be difficult and even unwise to try and alter. **Each country** may therefore keep its "Grandfather rights" and thus obtain the same basic quota as present.
- However, **with a view to not increasing the present total number of licences in the quota, EU15/EEA/CH countries** will have their basic quota defined as the smaller of the old basic quota and the new basic quota determined according to the ten criteria. Those wishing to reduce further their quota defined in this way can do so. If they so decide, they should commit to this for a minimum period of 3 years, after which they could reconsider their position.
- Basic quotas defined according to the procedure set out in paragraphs 1 to 3 above will be then fixed for a minimum period of three years.

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*1. Austria, Greece and Italy maintained the position that they have held thus far and refused to see the multilateral quota change - for their countries as well as for others - whatever criteria might be adopted.*

- When the quota is reviewed, any ECMT country (whether or not it belongs to the EU or the EEA) wishing to revise its multilateral quota should do so on the basis of the revised criteria or the effective use of its quota.

### Introduction of the “EURO4 safe” lorry

As stated above, the ECMT quota system has given incentives for hauliers to use the cleanest and safest vehicle technology. Over the years, different categories of vehicles have been introduced with a conversion coefficient allowing each basic licence to be replaced by 2, 4 or 6 licences for cleaner and safer vehicles. Bonuses were also provided to encourage use of the highest technology vehicles<sup>2</sup>. As vehicle fleets have been recently renewed to comprise "greener and safe" and "EURO3 safe" lorries and as there are still uncertainties as far as the availability of sulphur free fuels and necessary additives on ECMT territory is concerned, it is agreed at 1st January 2006:

- To retain three categories with the same coefficients as at present.
- To consider EURO4 safe lorries as belonging to the same category as EURO3 safe lorries.
- These considerations imply for 2006:
  - "Green" lorries, coefficient x2.
  - "Greener and safe" lorries, coefficient x4, bonus 20%.
  - "Green" lorries, coefficient x2.
- After one year's implementation of EURO4 lorries, "Green" lorries should be excluded from the system, in line with the aim to move to the best available technology and coefficients and bonuses for "EURO3 and EURO4 safe" lorries should be amended at the Council in Dublin (May 2006).

Certificates for EURO4 safe lorries have been precisely defined and formally agreed by the Committee of Deputies in October 2005.

2. As at 1st January 2005:

	<i>Coefficient</i>	<i>Bonus (%)</i>
<i>Traditional vehicle (EURO0)</i>	-	-
<i>Green lorry (EURO1)</i>	2	10
<i>Greener and safe lorry (EURO2)</i>	4	20
<i>EURO3 safe lorry</i>	6	40

## Limitation of the number of journeys

It has been agreed that the reform of the system must take into account the need to limit trips between EU countries by hauliers registered in non EU countries. Some countries have also asked that the possibility of limitation of the number of loaded trips to/from "peripheral" countries by hauliers not registered in them should be considered.

The modernization of the quota system has already led to the introduction of a restriction in the way licences can be used. Vehicles using ECMT licences are obliged to return to their Country of registration within six weeks.

This requirement has however been challenged insofar as it creates inequalities between carriers from different countries, at the expense of countries located farthest from the heart of Europe. The preliminary study carried out in 2004 could justify this complaint of "peripheral" countries.

Another solution, which would not have that disadvantage, would be to require licence holders to return to their country of registration after hauling a maximum number of loads abroad. For example, a haulier might be barred from carrying more than a certain number of loads (excluding empty runs) between departure from, and return to, the country of registration.

Such a solution could be implemented for a probationary period of one year to be renewed for a further year, at which time a comparison of the results obtained with the two systems of limiting the utilisation of licences a restriction period and a limited number of trips should be put into place.

Discussion on this issue shows sharply divided views. Some Countries want the restriction to allow 8 or 9 trips, arguing that the analysis shows this number of trips corresponds to the 6 week restriction. Others want as few as two, arguing that there should be virtually no trips that are not bilateral.

In June 2005 the Committee of Deputies, upon request of the Council of Ministers, agreed on a maximum number of trips of 3 journeys outside the country of registration, during which a haulier of a Member country is allowed to perform freight haulage within the ECMT territory with an ECMT licence, which means that after these trips, the haulier must come back to his country of registration.

Empty runs outside the country of establishment are not taken into account since it is not considered as a transport operation. A transport journey or empty run to, or in transit through, the state of establishment shall be considered a return.

This decision on a number of 3 trips will be implemented from 1st January 2006 for a probationary period of one year and could be prolonged.

## Management of the system

The progress made in improving controls should be continued along the lines agreed in Brussels in 2003 [CEMT/CM(2003)14/FINAL]. Procedures have already been successfully introduced to



improve information dissemination and develop agreed mechanisms for efficient controls. The Secretariat should continue to provide analytic data on use of licences and transparent information on distribution and infringements, even if this topic is mainly a national responsibility.

As far as criteria for the distribution at national level are concerned, the majority of Delegates want each Member country to be free to set its own allocation criteria. Similarly, Countries wish to retain the power to decide on penalties and sanctions applicable to national hauliers. However, to improve confidence between Countries greater transparency on the national practices is required and a good practice "guide" should be drawn up.

Hungary at the Ministerial Session in Moscow made a reservation on the reform of the quota. This reservation concerns the non recognition of the validity of the increase in quotas as from 2006 on the territory of Hungary.

## DECISIONS

Ministers, during the meeting of the Council of Ministers on 24 and 25 May 2005:

- Agreed on the basic Principles set out for the reform of the ECMT Multilateral Quota CEMT/CM(2005)4/FINAL.
- Approved the criteria and methodology (system of calculation for the quota) as set out in document CEMT/CM(2005)4/FINAL, and decided to apply them for the distribution of licences for 2006, as shown in table 11 of the annex.
- Agreed on the proposals for the Reform of the Quota, as from 1 January 2006, concerning the introduction of EURO4 safe lorries and the management of the system.
- Approved the limitation of the number of journeys outside the country of registration to 3, in order to limit trips between EU Countries by hauliers registered in non EU Countries and to limit trips to/from "peripheral" countries by hauliers not registered there.
- Requested the Committee of Deputies to further examine the statistical data and methodology for defining the development of quotas after 2006, being said that for the reform of the quota from 2007 onwards, it was stated that the reference for calculating a new licence allocation would be the basic quota for 2005, namely 6060 licences, even though in 2006 the Council decided to distribute 5970 licences only [Table 11 in document CEMT/CM(2005)4/FINAL].

***Document available at: [www.cemt.org/online/council/index.htm](http://www.cemt.org/online/council/index.htm)***

# CONCLUSIONS AND RECOMMENDATIONS ON PHASING OUT DISCRIMINATORY CHARGES IN INTERNATIONAL ROAD HAULAGE

[CM(2005)5]

## INTRODUCTION

There is concern in some countries over the fairness and complexity of taxation in international haulage. In the newer Member states in particular, there was a proliferation of new charges during the transition from centrally planned to market oriented economies. The enlargement of the European Union saw the elimination of some discriminatory charges and the emergence of new charges that have the potential to discriminate between vehicles registered in EU countries and those registered in other countries. Traditional bilateral exemptions are proving an inadequate response, and in themselves are a source of discrimination. A first report on the issue was presented to Ministers in 1999 [CEMT/CM(99)15], setting out three principles as the basis for fair systems of taxation:

- Non-discrimination.
- Non-accumulation.
- Reasonableness.

The report also made a series of recommendations adopted by Ministers.

The 2005 report examined the taxes and charges on international haulage in place in all ECMT Member Countries in the light of these principles and seeks to highlight problematic charges. A full examination of the basis for efficiency in road haulage taxation is also available in the publication *Reforming Transport Taxes* published by ECMT in 2003.

The 2005 report identified the existence of a number of discriminatory charges, most notably some large transit taxes in a small number of countries, which act as a barrier to trade and to fair competition. It also notes a number of potentially discriminatory charges that have recently been abolished. It reaffirmed the importance of implementing the recommendations adopted in 1999.

## RECOMMENDATIONS

As Ministers agreed in 1999, the response to political issues over the fairness of charges should not be to introduce transit taxes and further complicate the taxation of international haulage. It should instead be to simplify taxation, preferring territorial taxes (paid by all hauliers) to nationality based taxes.

In the short term the emphasis should be on abolishing transit charges and reducing the weight and complexity of nationality based taxes, replacing them with territorial charges, ideally tolls, km-charges or eurovignette type charges (with the option to purchase at a daily rate).

In the longer term, migration towards a simple structure of three main categories of taxation is desirable:

- A territorially based charge in the form of a km-charge, tolls or the Eurovignette, differentiated according to environmental costs.
- Nationality based annual vehicle taxes (without complementary transit charges).
- Fuel excise tax (without rebates that discriminate on the basis of nationality), differentiated according to environmental characteristics (e.g. sulphur content).

Retaliatory charges are by definition discriminatory and should not be deployed in any circumstances.

Miscellaneous charges to cover costs related to border controls, local customs inspection costs, policing costs, parking at borders etc., although not necessarily discriminatory, should be minimised due to their complexity. These costs would be better covered through an element of a generalised territorial charge. At the least, a small, single entry charge (applicable to all hauliers regardless of nationality) would be preferable to a multiplicity of charges. Such charges as persist should be subject to strict national guidelines as far as their nature and level are concerned if proliferation and inflation of charges is to be avoided.

Finally, when new charges are planned, or changes made to the level or scope of application of an existing charge, Ministries of Transport should notify the ECMT, through the Secretariat to the Road Transport Group, and the IRU so that they can inform hauliers of the change in advance, with at least one month's notice, in order to facilitate logistics planning and help avoid fraud.

***Document available at: [www.cemt.org/online/council/index.htm](http://www.cemt.org/online/council/index.htm)***

# CONCLUSIONS AND RECOMMENDATIONS ON RAILWAY REFORM AND CHARGES FOR THE USE OF RAIL INFRASTRUCTURE

[CM(2005)6]

## INTRODUCTION

Ministers adopted Resolution 2002/1 on the Development of Railways at the Bucharest Council to promote the development of seamless rail services across Europe and to foster the development of competition in rail freight markets to improve the efficiency and quality of rail services. The Resolution supports the restructuring of railways driven by European Union Directives and focuses on three critical regulatory issues.

- An appropriate set of charges for the use of infrastructure is required to ensure non-discriminatory access to, and efficient use of, the network.
- Fair competition has to be supervised by independent, proactive regulatory bodies.
- The most effective approach to introducing competition depends on the market, thus:
  - Charges for the use for infrastructure need to be structured differently according to market (freight, main line passenger, high speed rail, commuter services);
  - Competition for markets, as opposed to competition on the tracks, is probably most effective for most passenger train operations and especially for regional and commuter passenger services, and it is important that the award of exclusive concessions for these services is made through competitive tenders;
  - In markets suited to competition between integrated track and train operators, such as in European Russia, serious consideration should be given to restructuring railways to achieve this kind of competition between evenly matched companies, as it imposes a lower burden on regulatory authorities than promoting competition from new market entrants, especially when the national train operator owns the national rail infrastructure or is part of a holding company that owns it.

Development of rational charges for the use of infrastructure is reviewed in report CEMT/CM(2005)18 and has now been published under the title "Railway Reform and Charges for the Use of Infrastructure". Much progress has been made since adoption of the Resolution of 2002, but **the European dimension is missing** from the critical freight market. Ministers now need to focus on achieving a set of simple charges for freight that create similar incentives for the management and planning of train operations across national borders.

The way charges are determined is also crucial to the recurring issue all Ministers face: **how big a rail network and how many non-commercial passenger services should be supported by the public budget?** Undercharging trains threatens the long term financial sustainability of the network and deferring renewals can increase costs to crisis point in the long run. Undercharging subsidized passenger trains often results in over-charging freight, damaging its competitiveness with road haulage.

## **CONCLUSIONS**

Existing infrastructure charging regimes are not fully consistent with Minister's objectives:

- For promoting financially stable infrastructure providers.
- For providing effective price signals to users of rail infrastructure.
- For promoting effective competition in the markets (especially international freight) where competition would be sustainable.

The divergence of current infrastructure charges is illustrated in figure 1, showing cost recovery rates, and figure 2, showing average charge levels. Some differences are to be expected. For example, the upper bound for cost recovery is a question for political decision at the national level. Also the mix of traffic (see figure 3) and traffic densities vary greatly between countries and this has a strong influence on costs.

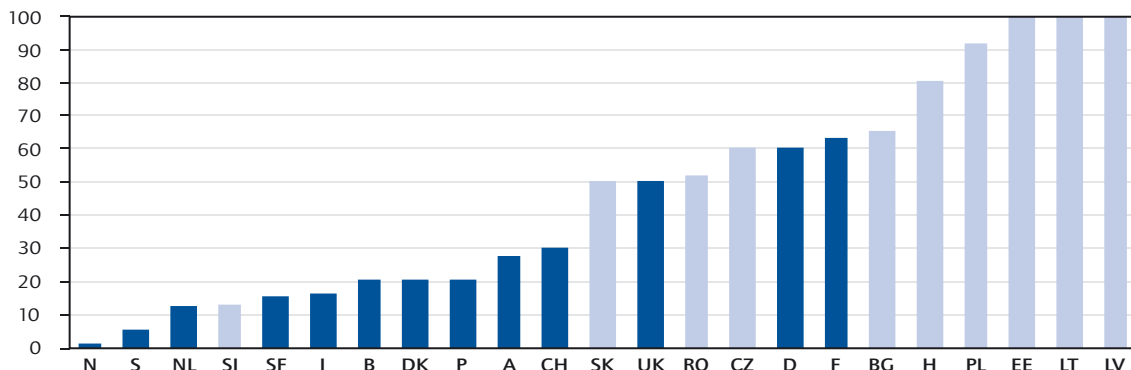
Some of the differences observed, however, create financial risks or undermine the competitiveness of rail services.

- Some countries charge at levels significantly below the rational lower bound represented by marginal costs, including renewals. It makes little sense to carry traffic that can not even pay the marginal costs it imposes on the network in terms of wear and tear and train planning.
- Some charging systems result in freight trains covering some of the costs of passenger trains in order to push down the budget transfers required to pay for passenger service obligations. This is financially un-sustainable as it will destroy the competitiveness of rail freight.
- There are many instances of barriers to international services created by differences in the way countries along international corridors structure charges. Freight train charges that are structured to provide incentives to consolidate loads and run fewer, longer trains in one country, and structured to promote operating short, light trains in a neighbouring country complicate train path planning and increase the costs of international paths. This will suppress international rail traffic.

There has so far been a failure to co-operate internationally to correct these distortions, seriously undermining international rail markets. Harmonizing the structure of charges for freight trains would:

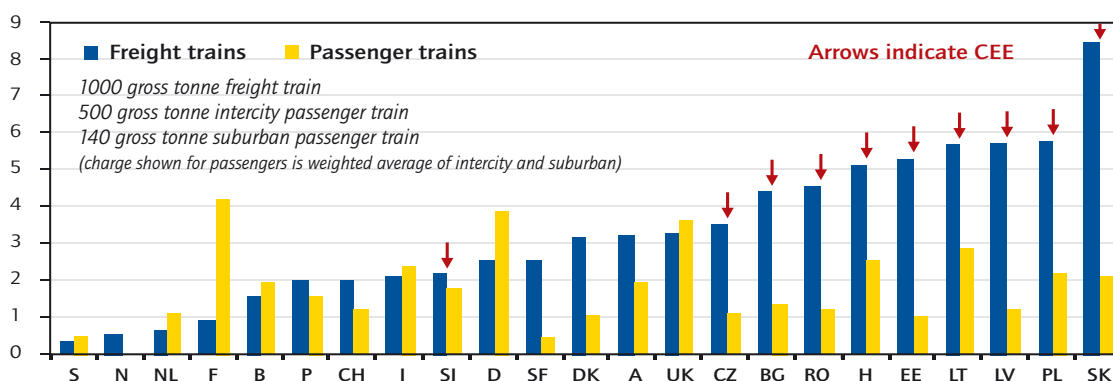
- Reduce the cost of international services, improving competitiveness.
- Facilitate the planning of international services.
- Enable railways to be more responsive in quoting prices to shippers.

**Figure 1 • Percent of Total Cost Covered by Infrastructure Charges**



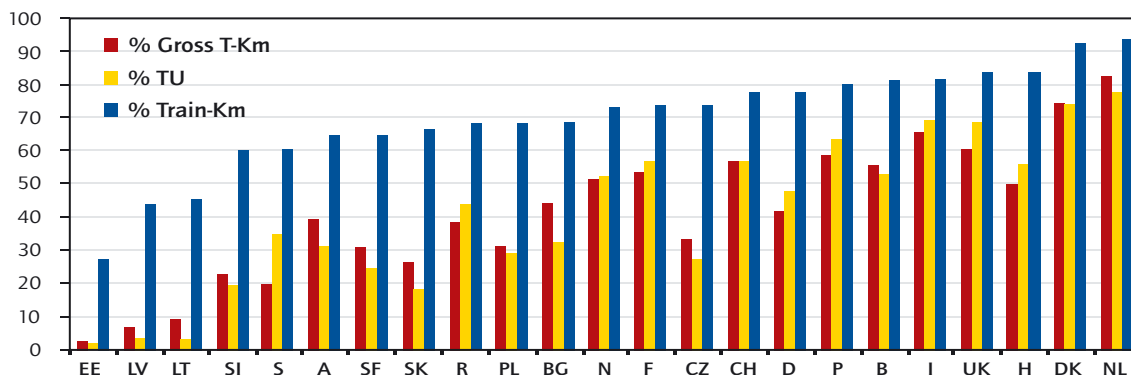
Cost recovery = Revenues from charges as a proportion of total expenditure on the network on operations, maintenance, renewals, interest and depreciation; Light shading indicates central and eastern European countries. Marginal costs can be expected to lie at roughly 15 to 20% of the cost figures reported.

**Figure 2 • Average Access Charges (€/ train-km, excluding cost of electric traction)**



Baltic freight trains are much larger than elsewhere. Baltic access charges are not directly comparable with those in other countries and have been adjusted here. In Estonia, for example, a typical 3145 tonne train is charged €11 per train-km. Data displayed for all countries for which reliable figures have been collected.

**Figure 3 • Traffic Mix (Percent Passenger Traffic)**



Note:  $TU = P\text{-Km} + T\text{-Km}$

## **RECOMMENDATIONS**

Ministers need to co-operate to promote the development of more coherent charges for the use of infrastructure. For international rail freight services this is an urgent priority. Ministers will need to provide guidance to their national infrastructure managers and consult with rail regulatory agencies to facilitate this.

Independent economic rail regulatory authorities can play an important role in ensuring many of the specific recommendations that follow are implemented, and could play a useful role in all Member countries.

### **Harmonise charges for international freight trains**

The structure of charges for freight trains should be harmonised, especially along key international corridors. Charges should be set on the basis of marginal costs, with simple mark-ups where required. There could be merit in adopting similar charges for domestic freight as well in many countries.

These charges need not be uniform in level but must be consistent in structure and should be based on a set of simple factors of use, at least outside of capacity bottlenecks and peak hours. Charges per gross tonne-km should be employed to reflect maintenance and renewal costs for track. Where freight capacity is not constrained, such a single factor, simple charge may be sufficient. Where capacity for freight is constrained (and the marginal costs of freight traffic are significant) charges per train-km may also be useful.

It should be accepted, however, that where rail freight is the dominant use of the network and its market position is strong (as in the Baltic States for example) an alternative approach based on full costs is appropriate.

### **Structure charges for passenger and freight trains to balance competition and financial objectives**

National access charge regimes should be related to the complexity and intensity of the use of the rail network. Countries with intensive traffic and a multiplicity of users could best construct their access regime from a mix of approaches:

- Full cost based charges (with costs recovered as a two part tariff) for suburban and non-competing intercity passenger operators running on exclusive rights of way.

It makes sense to recover full costs from these services where they are the dominant user of the system, generating most of the costs, which is almost always the case around major cities, and generally the case across the whole network in many member countries. Where passenger trains are a marginal user on freight dominated systems it may be appropriate to charge them only marginal costs.

In the case of passenger services supported from public budgets under public service obligations, charging these trains the full costs they impose on the network makes the costs entailed more transparent for the public authorities that decide on the level of services that should be provided. This should help reconcile the demands for services from one part of government (for example transport local authorities) with the resources available from public budgets for rail infrastructure.

- Simple marginal cost based charges, plus a mark-up where necessary, for situations where intercity passenger trains will compete on the same tracks. Fixed charges need to be avoided as they almost always present a barrier to small operators seeking to enter the market.

Such a mixed approach, with simple marginal costs charges for freight, with a mark up where required for higher cost recovery, will permit the best balance among competition and financial stability objectives to be achieved.

### **Provide for renewals**

Infrastructure managers should at least collect marginal costs, including accelerated renewals, from all trains. Variable, traffic-driven renewal costs, that is the increased present value of costs that result from having to undertake renewals sooner than if a train had not been run on the track, are not always charged for at present. As noted above, it makes little sense to carry traffic that cannot pay at least these costs. For rail freight to remain competitive with alternative modes it is important to achieving recovery of these infrastructure renewal costs also in other modes of transport.

### **Respect financial commitments**

Transport policy determines the size of the gap between the revenues generated from access charges and the full cost of maintaining and renewing the infrastructure network. The key factors are specification of the services to be delivered under public service contracts and setting the framework for infrastructure charges. Filling the gap from public funds is essential for financial sustainability, with long term implications for the quality and safety of the network and the cost of maintaining it. Short term pressures inevitably lead finance ministries and parliaments to seek cuts in spending from time to time that are inconsistent with existing policy. The chief risk is delays to renewals that cause the condition of the network to deteriorate and a backlog of expenditure to accumulate. Regulatory agencies with powers to set charges, and that are independent of government (at least in the short term), can play an important role in ensuring agreed funding is provided fully and reliably from State contributions. This represents the enforcement of agreements rather than an open cheque for the railways and can be complemented with duties to assess the efficiency of the rail infrastructure manager. Table 1 summarises the current regulatory arrangements in Member countries.



**Table 1 • Industry Structure and Regulatory Arrangements**

<i>Country</i>	<i>Industry structure</i>	<i>Overseen by independent rail regulator</i>	<i>Overseen by independent general competition authority</i>	<i>Overseen by Ministry of Transport</i>
Austria	I	Yes	Yes	
Belgium	I			Yes
Bulgaria	S			Yes
Czech Republic	S			Yes
Denmark	S	Yes	Yes	
Estonia	I freight	Yes		
Finland	S		Yes	Yes
France	S			Yes
Germany	I	Yes	Yes	
Greece	I		Yes	Yes
Hungary	I	Yes		
Ireland	I		Yes	
Italy	I		Yes	Yes
Latvia	I	Yes	Yes	
Lithuania	I	Yes		Yes
Luxembourg	I			Yes
Netherlands	S		Yes	
Norway	S			Yes
Poland	I	Yes		
Portugal	S	Yes	Yes	
Romania	I	Yes		
Russia	I		Yes	
Slovakia	S			
Slovenia	S	Yes		Yes
Spain	S			Yes
Sweden	S	Yes	Yes	Yes
Switzerland	I	Yes	Yes	Yes
United Kingdom	S	Yes	Yes	

S vertical separation, where the infrastructure manager (or affiliated company) is not allowed to operate services on that infrastructure;

I vertical integration, where the infrastructure manager is allowed to operate services on that infrastructure, holding company structures are included in this category.

## Use public service contracts with competitive tendering

Long term public service contracts are another important guarantee of financial sustainability. They should always be used for passenger services that are not fully commercially viable but are required of train operators by the State. These contracts should fund train operators to cover at least the avoidable costs of the services concerned, including infrastructure charges. As competition on the tracks is difficult and sometimes impossible to create for these services, competition for the market is to be preferred, through competitive tendering for exclusive public service contracts.

## Ensure adequate public information on rail costs and accounts

Getting adequate data into the public domain is pre-requisite to full implementation of these recommendations. Data is currently insufficient to say with certainty which infrastructure managers charge below marginal costs or just how serious the practice, traditional in Eastern Europe, of covering passenger costs from freight charges is.

Ministers should require line of business accounts and a complete record of government support to be reported annually to public authorities by infrastructure managers and train operators, in a consistent format. Reports from infrastructure managers should include a discussion of any changes in the condition of the infrastructure from the previous year, and a statement of the degree to which income from users plus government support meets or falls short of the cost of maintaining the infrastructure including any required renewals. This should be included in the annual Network Statement that infrastructure managers are already required to produce in the European Union.

There is ample precedent in regulatory experience, for example in the USA and Canada, for requiring that railways report their annual results in a common format that permits analysis of individual railway performance and facilitates comparisons among railways. The burden this imposes on railways is negligible as they should already be collecting this information for proper management of their assets.

Europe's railways also need a common understanding of how to define and measure marginal private and external costs for use of rail infrastructure. Joint efforts are needed for a common approach and a consistent database. This has direct policy relevance and is not simply a research question.

## Follow-up

The work on which these conclusions and recommendations is based was discussed extensively with the Task Force on Rail Track Access Charges of the European Union and form the basis of a report adopted by the Union's Developing European Railways Committee in July 2005. It will be

important to ensure all ECMT Member countries clearly understand the EU policy developments that result, in order to be in a position to adopt appropriate measures of their own and bring maximum benefits to European rail markets.

In continued co-ordination with the European Commission, ECMT should bring the results of research into the measurement and definition of rail costs into the policy making arena to provide the basis for developing more precise guidelines for establishing efficient infrastructure charges.

ECMT should provide guidelines on the public reporting of rail costs and accounts and the condition of infrastructure necessary as the basis for full implementation of the recommendations made here.

Deputies will report to Ministers on progress towards implementing the recommendations, and in particular harmonization of the structure of infrastructure charges for international freight trains.

***Document available at: [www.cemt.org/online/council/index.htm](http://www.cemt.org/online/council/index.htm)***

# "MODEL" ACTION PLANS AND PARTNERSHIP AGREEMENTS FOR THE DEVELOPMENT OF INTERMODAL TRANSPORT AT THE PAN-EUROPEAN LEVEL

[CM(2005)10]

## **BACKGROUND**

At its first session in 2004, the Joint ECMT/UNECE Working Group noted that the objective of the work carried out by WP24 of UNECE on "model" action plans and partnership agreements was to identify "good practices" and establish "benchmarks" to assist Contracting Parties to the AGTC Agreement and all actors involved in international intermodal transport services to co-operate with each other at the policy as well as at technical and commercial levels with a view to improving the competitiveness of international intermodal transport services in the region. It was also noted that it was of the utmost importance to clearly define the responsibilities of the individual actors within the intermodal transport chain, including the imposition of penalties in case of non-performance.

Nevertheless, the Joint Working Party expressed caution with regard to the possible inclusion of such "models" into the AGTC Agreement as legal negotiations often tended to reduce specific and demanding requirements to the smallest common denominator. Other alternatives, such as the elaboration of opinions, recommendations or resolutions should be explored as means to publicize and implement such "models".

In accordance with this request, a recommendation was prepared by the Joint ECMT/UNECE Working Group on Intermodal Transport and Logistics at its session on 7 and 8 March 2005. This recommendation which is reproduced hereafter, was adopted by the Council of Ministers of ECMT held in Moscow in May 2005.

## **RECOMMENDATION ON "MODEL" ACTION PLANS AND PARTNERSHIP AGREEMENTS FOR THE DEVELOPMENT OF INTERMODAL TRANSPORT AT THE PAN-EUROPEAN LEVEL**

The Council of Ministers of the European Conference of Ministers of Transport (ECMT),

**HAVING REGARD** to the European Agreement on Important International Combined Transport Lines and Related Installations (AGTC Agreement) of 1991;

**HAVING REGARD** to the Consolidated Resolution No. 2002/2 on Combined Transport adopted by the Council of Ministers of the European Conference of Ministers of Transport (ECMT), meeting in Bucharest on 29 and 30 May 2002;

**EMPHASIZING** that intermodal and combined transport must play a significant role as an alternative to pure road haulage in future transport systems in order to meet the environmental, safety, security and economic requirements of sustainable transport systems;

**WISHING** to contribute to the development of intermodal transport at the pan-European level;

**CONVINCED** that effective inter governmental and private sector co-operation is one of the key factors for the development of competitive intermodal transport services;

**NOTING WITH SATISFACTION** the programmatic and institutional co-operative arrangements that have been made between ECMT and UNECE in the field of intermodal transport and logistics that are fully in line with the Declaration on the Future Direction of ECMT adopted during the Brussels session of the Council of Ministers in 2003 and the exchange of letters between ECMT and UNECE on this subject and had led, in 2004, to the establishment of the Joint ECMT/UNECE Working Group on Intermodal Transport and Logistics;

**RECALLING** that the terms "multimodal", "intermodal" and "combined" transport have been defined in the framework of a Terminology on Combined Transport agreed upon in 2001 by the ECMT, UNECE and the European Commission ([www.unece.org/trans/wp24/wp24-terminology/24term.html](http://www.unece.org/trans/wp24/wp24-terminology/24term.html));

**RECOMMENDS** that all ECMT and UNECE member Governments make more use of Action Plans and public/private partnerships agreements;

**RECOMMENDS** in particular that they make use of the "Model" Action Plan, set forth in the annex to this recommendation (cf. complete text of the Resolution on the ECMT web site [www.cemt.org/online/council/index.htm](http://www.cemt.org/online/council/index.htm)):

"The Action Plan provides an agreed basis for Governments to co-operate with each other on a bilateral or multilateral basis with a view to improving the competitiveness of international intermodal transport services on specific intermodal transport lines.

The purpose of such Action Plan is to set a political signal of Governmental commitment and support for the development of intermodal transport and to provide a framework for the conclusion of Partnership Agreements among the various public and private parties involved to collaborate towards efficient and competitive intermodal transport services along specific intermodal transport lines. The specific form, the detailed provisions and the Authorities involved in the preparation and conclusion of such Action Plans are to be decided by the parties involved."

**RECOMMENDS FURTHER** that intermodal transport operators and concerned Governmental Authorities make use of the "Model" **Partnership Agreement** set forth in the annex to this recommendation (cf. complete text of the Resolution on the ECMT web site [www.cemt.org/online/council/index.htm](http://www.cemt.org/online/council/index.htm)):

"Within the general framework of the Action Plans to be agreed upon by Governments, the Partnership Agreement should provide an agreed basis for intermodal transport operators, railway undertakings, freight forwarders, rail infrastructure managers, terminal operators, border crossing Authorities and other parties involved in intermodal transport to engage in co-operative arrangements with a view to improving the competitiveness of international intermodal transport services on specific intermodal transport lines.

The purpose of such Partnership Agreement is to define clearly the responsibilities and performance standards expected from the various parties involved in intermodal transport. It should also enhance transparency about the indispensable roles played by each of the parties involved. The specific form, the detailed provisions and the Authorities involved in the preparation and conclusion of such a Partnership Agreement are to be decided by the parties involved."

**INVITES** all competent inter governmental and non-governmental organizations, in particular those co-operating already closely with the Joint ECMT/UNECE Working Group on Intermodal Transport and Logistics, such as the European Commission (EC), Committee of the Organization for Co-operation of Railways (OSJD), Intergovernmental Organization for International Carriage by Rail (OTIF); International Union of Railways (UIC); International Union of Combined Road/Rail Transport Companies (UIRR); European Intermodal Association (EIA); "Groupement Européen du Transport Combiné" (GETC); European Association for Forwarding, Transport, Logistics and Customs Services (CLECAT) and the International Road Transport Union (IRU) to assist ECMT and UNECE member Governments and the private sector involved in intermodal transport to implement this recommendation;

**RECOMMENDS ALSO** that all ECMT and UNECE member Governments and in particular the Contracting Parties to the AGTC Agreement assess at regular intervals the implementation of this recommendation on the railway network on their territory;

**REQUESTS**, as far as this recommendation is concerned, that the Joint ECMT/UNECE Working Group on Intermodal Transport and Logistics continues to monitor the development of this transport sector and reports, at regular intervals, on the implementation of this recommendation.

## OTHER MAJOR EVENTS IN 2005

### Implementing Sustainable Urban Travel Policies in Japan and other Asia-Pacific Countries

#### Workshop, 2-3 March 2005 - Tokyo

ECMT held its first Japanese event in the organisation's 53-year history with its workshop on Implementing Sustainable Urban Travel Policies in Japan and other Asia-Pacific Countries, held 2-3 March 2005 in Tokyo.

Hosted by the Japanese Ministry of Land, Infrastructure and Transport, the workshop completed the series of three in ECMT's project on Implementing Sustainable Urban Travel Policies, which had taken the ECMT to Washington DC in 2003 and Moscow in 2004. These workshops were designed to examine how the institutional and policy frameworks in different countries impact implementation of integrated urban travel policies, and will serve as input to the findings of the ECMT Project on *Implementing Sustainable Urban Travel Policies: Moving Ahead*.

With a key focus on Japan's public transport system, conference presentations highlighted the impact of de-regulation on both demand for and supply of public transport. Also examined were the impacts of Information Technology use to improve urban transport; barrier-free travel in Japan and security in public transport.

Other presentations focused on the implementation aspects of company travel plans, car sharing and road and congestion pricing in Singapore, and contributions were also received from Hong Kong, Korea and Australia as well.

All papers from this workshop - as well as those presented in the other workshops and other inputs to the ECMT's urban travel work - are available on the ECMT Website.

[www.cemt.org/topics/urban/urbdocs.htm](http://www.cemt.org/topics/urban/urbdocs.htm)



J. Short, ECMT Secretary General



Vice President Hora  
addressing the Workshop

# Managing Oil Demand in Transport

## IEA / ECMT Workshop, 7-8 March 2005 - Paris

The workshop on *Managing Oil Demand in Transport* addressed strategies for managing oil demand over two timeframes: a hypothetical short-term supply crisis ('in a hurry') and the next 10 years (the medium term).

Recent IEA World Energy Outlook analysis projects world oil demand increasing by about 60% between 2002 and 2030 (about 25% in OECD countries). Nearly all the increase in the OECD, and more than half the increase in non-OECD countries will come from the transport sector. In the nearer term, oil use is expected to rise steadily, putting increasing pressure on oil markets and increasing the risks of supply shortfalls. Understanding transport demand and demand management measures will therefore be increasingly important to both energy security and climate change policy. There are significant synergies from cooperative work between the ECMT and IEA, and one of the purposes of the workshop was to explore where future joint work might be needed. It also examined the results of recent collaboration on *Making Cars More Fuel Efficient: Technology and Policies for Real Improvements on the Road* as well as a draft IEA report, *Saving Oil in a Hurry*.

The main lesson from the United Kingdom's "fuel crisis" in 2000 was the necessity for prior agreement between all relevant parties on when and how to respond to a shortage. To this end, a Memorandum of Understanding has since been signed by the Government, the oil industry and the Police. The MoU sets out a toolkit of measures that can be used to respond to different types of crises and defines trigger points which progressively increase the stringency of the response.

The workshop also reviewed government responses to recent electricity shortages, since there is a lack of recent experience in managing oil shortages. New Zealand experiences show effective media management can be achieved by using a single spokesperson nominated and mandated by both government and industry. This can help the media debate remain on management of the shortage and leaves politics until after the event. Public campaigns (i.e. asking people to save) were found to be faster and more effective than more sophisticated demand side measures. Even simple attempts to accelerate the implementation of existing measures encountered difficulties. The California experience shows the potential to use a crisis situation as a springboard for changing attitudes towards saving energy over the medium to long term.

Future steps were identified for IEA/ECMT as well as national governments. For IEA and ECMT, a priority is to step up efforts to quantify the potential oil and CO<sub>2</sub> savings of potential near and medium term measures, along with their costs and benefits, in a systematic manner. ECMT will report on this to Ministers in 2006.

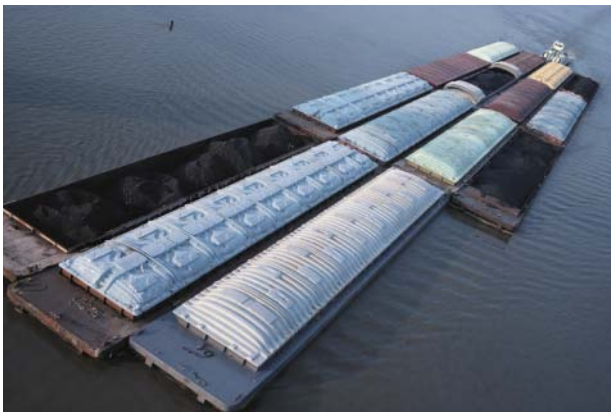


Other areas highlighted included:

- More attention to air and shipping, and potential for near-term reductions in these sectors.
- Greater efforts to identify innovative and low-cost policies. Better information sharing between countries and between agencies within countries is needed. This workshop was considered a useful example of this type of effort.
- The need to send a clear message to IEA Ministers and other policy makers that more can be done in transport, much of it at fairly low cost to improve oil security. Promising areas include on-going vehicle efficiency improvement (including in-use efficiency) and more rapid uptake of low-cost biofuels in the developing world.

Information on the workshop, including presentations, is available from:

[www.iea.org/textbase/work/workshopdetail.asp?WS\\_ID=210](http://www.iea.org/textbase/work/workshopdetail.asp?WS_ID=210)



# Task Force on South-East Europe

## Meeting, 11 March 2005 - Cavtat, Croatia

### Background

With the accession of ten new countries to the EU, ECMT has reorganised its work on Integration. The Integration Group has achieved many of its objectives and it was agreed that a more regional approach would be one way forward. At the Ministerial Session in Ljubljana, Ministers from South-East Europe welcomed this approach and supported ECMT setting up a Task Force to deal with specific issues in the region.



The first meeting of this Task Force, held at the kind invitation of the Croatian Government, was organised in Cavtat on 11 March 2005, to explore areas where ECMT could usefully contribute. The meeting examined a list of possible areas for co-operative work as well as a document which described the different international initiatives in the region.

### Subjects discussed

The discussion concentrated on areas where ECMT could add value and be of assistance in the region. The following summarises the topics discussed:

- Inventory of different initiatives in the region.
- Infrastructure issues.
- Railways.
- General problems of border crossings.
- Market access in road transport.
- Road safety.
- Urban transport.

Some other issues were raised:

- Combined transport, including short sea shipping.
- Pricing and charges for use of infrastructure.
- Security of transport.

## Priorities

The meeting in Cavtat has established the following priorities for the future work of the Task Force:

- The information on activities in the region will be updated regularly.
- As regards infrastructure, ECMT will follow the activities in the High Level Group and the Infrastructure Steering Group (ISG).
- A clear priority emerges for work on railways. A special seminar will be organised on a specific topic to be identified. Bulgaria offered to host such an event.
- The issue of market access to road transport will also be followed up by gathering the necessary information from the Countries, in particularly on existing agreements/arrangements and problems encountered, and examining where the specific problems lie.

Task Force structures and working methods will be flexible and open. These structures will be based mainly on the nominated contact points in the countries of the Region. The Task Force will allow the information about ECMT Working Group actions to be disseminated. It will also allow these Working Groups to take up specific issues of concern to the region.

[www.cemt.org/topics/SouthEast/index.htm](http://www.cemt.org/topics/SouthEast/index.htm)



# Pan-European Co-operation Towards a Strong Inland Waterway Transport: On the Move

**Workshop, 22-23 September 2005 - Paris**



Jointly organized by ECMT, UNECE and the Rhine and Danube River Commissions, this workshop took place on 22-23 September 2005 in Paris.

The aim of the workshop, which was designed for both public and private decision-makers dealing with institutional and professional issues in inland waterway transport, was to prepare the future Bucharest conference to be held in September 2006. This new conference will consider the status of implementation of the Declaration adopted by the previous Pan-European conference on inland waterway organized in September 2001 in Rotterdam. It will assess progress made since the Rotterdam conference, identify the remaining problems and decide on further actions required to reach the main objective of the Rotterdam Declaration: strengthening inland waterway transport at the Pan-European level.

Three successive sessions animated by a panel of rapporteurs were organised on the following topics:

- Inland waterway market development in a Pan-European context: this session examined specific market development issues and problems on the EU, the Rhine, the Danube, the Russian and Ukrainian markets.
- Leveling the playing field: discussions were mainly devoted to market access, harmonisation of social, technical and environmental legislation, integration of the Pan-European labour market, charging for the use of infrastructure.
- Infrastructure development and the environment; starting from the results of a recent ECMT study on inland waterway and environment, this session examined the consequences on the environment of inland waterway infrastructure development and reviewed the existing good practice in this field. It also considered environmental aspects in the assessment of inland waterway projects and the definition of a possible approach to ensuring the environmentally and financially sustainable development of waterways.



The final session on necessary political actions to strengthen inland waterway transport highlighted various elements which could possibly be included in the Draft Declaration to be prepared for the Bucharest conference.

A Report with the summary of the discussions and the conclusions of the workshop is already available. Together with all the other documents presented at the workshop this report can be downloaded from the ECMT website. A specific publication including all the communications presented at the workshop will be issued by the middle 2006 (Strengthening Inland Waterway Transport: Pan-European Co-operation for Progress, ISBN 92-821-1354-X).

[www.cemt.org/online/Water05/index.htm](http://www.cemt.org/online/Water05/index.htm)

## **Facilitating International Regular Services by Bus and Coach in Europe**

### **Forum, 21 October 2005 - Kortrijk, Belgium**

The Forum held in Kortrijk, Belgium, on 21 October 2005 and organized by IRU together with ECMT Secretariat, was an opportunity to get a preliminary view of the present situation with regard to international regular services by bus and coach in Europe.

Two main areas of actions were identified:

- Developing a clearer regulatory framework for such operations.
- Improving security and safety in travel.

The idea of an examination into the extent to which a multilateral agreement on international regular services by bus and coach could be established was launched, meaning that with close co-operation between the organizations, at governmental and professional levels, there would be an endeavour to, in the words of the IRU, "Work together for a better future".

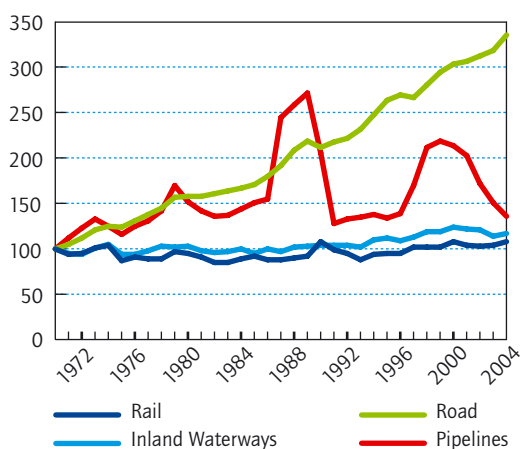
[www.cemt.org/online/proceed.htm](http://www.cemt.org/online/proceed.htm)



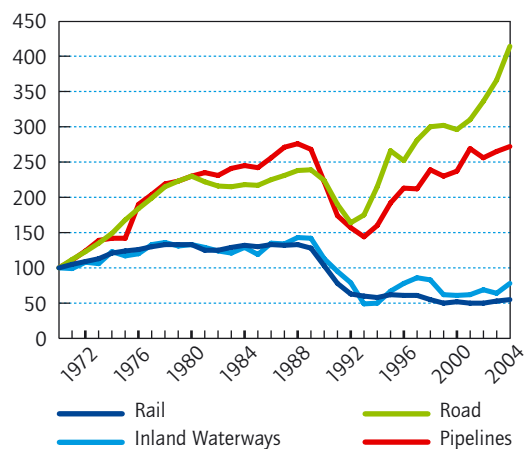
## LATEST TRENDS IN TRANSPORT

These graphs, produced from the ECMT database, summarise the latest international data available to illustrate developments in selected areas of freight and passenger transport and road safety performance. Together with other key data and a short analysis of recent developments, they appear in the publication *Trends in the Transport Sector*.

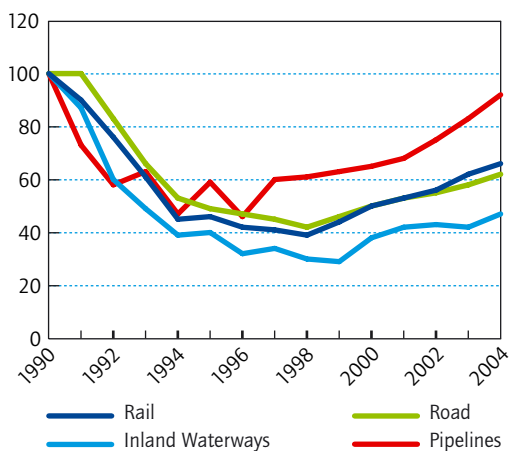
**Goods Transport  
in Western Europe  
1970 = 100**



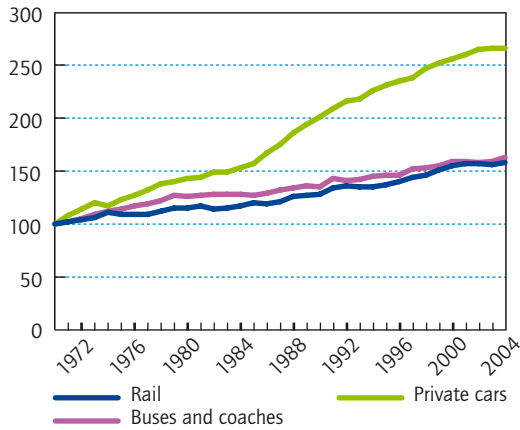
**Goods Transport in  
Eastern Europe and Baltic States  
1970 = 100**



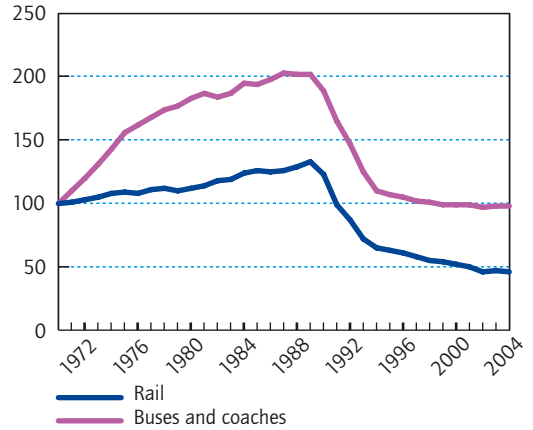
**Goods Transport  
in CIS States  
1990 = 100**



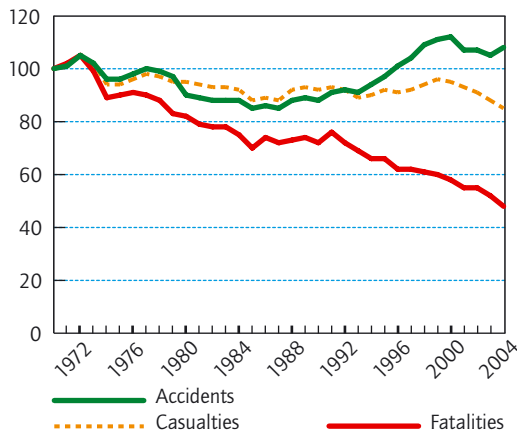
### Passenger Transport in Western Europe, 1970 = 100



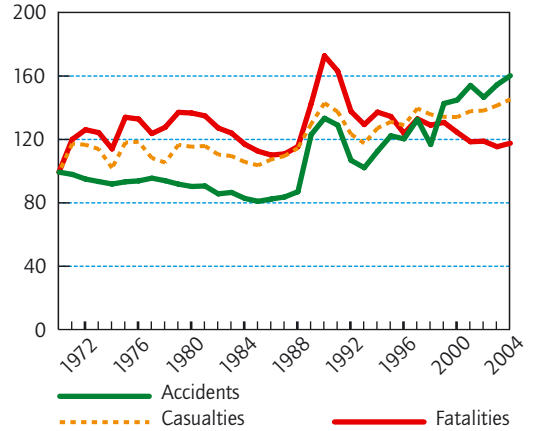
### Passenger Transport in Eastern Europe and Baltic States, 1970 = 100



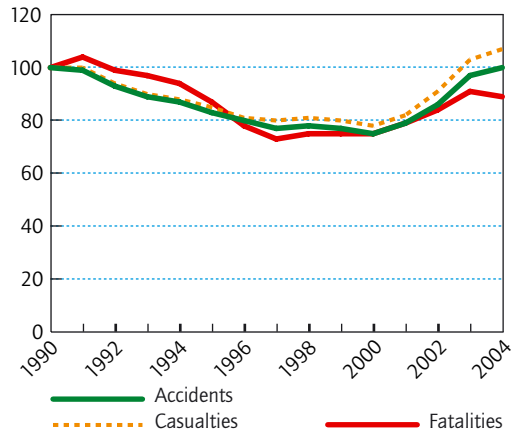
### Road Accidents in Western Europe, 1970 = 100



### Road Accidents in Eastern Europe and Baltic States, 1970 = 100



### Road Accidents in CIS States, 1990 = 100





## ECMT WORKING BODIES IN 2005

**ECMT**

**Council of Ministers**

**Committee of Deputies**

### Secretariat

Secretary General (Jack Short)  
Deputy Secretary General (Alain RATHERY)

Working Groups	President	Secretariat
Access and Inclusion (AI)	<b>Ann FRYE</b> (United Kingdom)	Mary CRASS
Combating Crime and Terrorism in Transport (CCT)	<b>Jack SHORT</b> (ECMT)	Mary CRASS
Fiscal and Financial Aspects of Transport (FIFI)	<b>Arie BLEIJENBERG</b> (The Netherlands)	Stephen PERKINS
High Level Group (HLG)	<b>Jack SHORT</b> (ECMT)	Alain RATHERY
Integration of New Member States (INT)	<b>Wojciech ZARNOCH</b> (Poland)	Alain RATHERY Elena SHATBERASHVILI
Intermodal Transport and Logistics (TIL)	<b>Henry MAILLARD</b> (Belgium)	Martine-Sophie FOUVEZ
Railways (CF)	<b>Fabio CROCCOLO</b> (Italy)	Stephen PERKINS
Road Safety (SR)	<b>Björn STAFBOM</b> (Sweden)	Martine-Sophie FOUVEZ
Road Transport (TR)	<b>David SUTTON</b> (Malta)	Martine-Sophie FOUVEZ
Statistics (STAT)	To be decided	Andreas KOPP Mario BARRETO
Sustainable Urban Travel (URB)	<b>Pat MANGAN</b> (Ireland)	Mary CRASS
Transport and Environment (ENV)	<b>Ueli BALMER</b> (Switzerland)	Stephen PERKINS

## ACTIVITIES OF THE WORKING GROUPS IN 2005

### High-Level Group on the Future Direction of the ECMT

At its 89th session in Moscow, the Council of Ministers determined that the ECMT should be developed into an attractive and publicly recognised international forum which would increase the understanding of the importance of transport as an essential economic factor, while at the same time preserve and promote the existing strengths of the Conference in the policy and research field. The forum should deal with all modes of transport, while taking into account the role of other bodies working in similar areas. At the Moscow session, the Ministers adopted a Declaration on the future direction of the ECMT [CEMT/CM(2005)7], which:

*recommended the establishment of "a High-Level Group of a limited but representative number of persons appointed by Ministers [...] to prepare detailed proposals for the establishment of an international Ministerial forum and for structural reforms to ensure the effectiveness of the transformed body";*

*and requested "the submission of these proposals for decision at the Council in Dublin in 2006".*

On 23 June 2005, the extended Bureau of the Committee of Deputies agreed on the measures to be taken to set up the High-level Group. These measures covered the Group's mandate, method of working and membership.

The Group, composed of high level representatives from 15 Member countries and 4 Associate countries was chaired by Simon Webb (United Kingdom) and had two vice-chairs (Roel Gans, Netherlands and Alexander Misharin, Russia). It met two times in 2005 – on 13 September and on 7 December. It also consulted the Chairs of the ECMT's working bodies, at a meeting organised on 21 November 2005, and reported to the Committee of Deputies.

At the two meetings in 2005, the following topics were examined by the High Level Group:

- Objectives and activities of the Organisation.
- European dimension of the Organisation.
- Membership of the Organisation.
- Structures of the Organisation: Forum and support structures.
- Organisation of ministerial sessions.
- Financing.
- Communications strategy.

Following these two meetings, a broad consensus was reached on the following points:

The ECMT is to embark on a process aimed at changing what is already an international body into a more global organisation with a worldwide reach and at establishing a genuinely international transport Forum. The ECMT would become a worldwide platform at which European countries can meet with non-European countries. Above all, it would be a place for discussion and pre-negotiation of strategic policy issues, not technical issues, and at the same time would focus on analysing trends, knowledge sharing and dialogue among policy-makers. While this is a tough and certainly highly ambitious goal, it is a critical one for the future of the ECMT.

A European dimension should still be maintained so that some exclusively European issues, such as the multilateral quota or the introduction of a pan-European transport market, can still be addressed. With time, the range of exclusively European issues should decrease as the European Union enlarges or as the issues become increasingly global in nature.

The unanimous view is that the annual meeting of the International Transport Forum, with the Ministerial session as its centrepiece, should be the key element in the successful transformation of the ECMT.

A first step in the process of setting up the Forum could be to open up the Ministerial sessions:

- To non-European countries, not only OECD Member countries but also major economic partners of Europe (China, India, Brazil).
- To external participants, high-ranking decision-makers, social and NGO representatives or eminent people from the research field and the media.

The Ministerial session should be focused on a single topic of worldwide strategic importance. This topic should be chosen so as to appeal to a wide public audience. The agenda for the session could always be updated at the last minute to include any current "hot button" issue, for which only minimum advance preparations would be made.

The Ministerial session would focus on high-level discussions without necessarily having to reach decisions and it is not intended to be a decision-making body, all the more so since - in order to guarantee that the discussions will be lively - the topics chosen should be controversial. In order to facilitate discussions the sessions should be as informal as possible and no detailed summary record should be produced.

Developing a communications strategy to attract the interest of the media and the public was regarded as essential in ensuring the successful repositioning of the ECMT.

It is scheduled that the High Level Group will finalise its report after a new meeting to be held beginning 2006 and prepare a draft Declaration. After approval by the Committee of Deputies, these documents will be submitted to the Council of Ministers in May 2006. Their approval by Ministers will lead to a significant reform of ECMT.

## Access and Inclusion

2005 saw the development of important legislation in a number of key ECMT countries - France, the United Kingdom and Ireland in particular - demonstrating in part a growing recognition of national governments of the need to improve the accessibility of their transport systems.

Within the ECMT's Working Group on Access and Inclusion, several important bodies of work were either launched or brought to completion.

First, completion of **Improving Transport Accessibility for all: Guide to good practice**, which updates the ECMT's 1999 publication "*Improving Transport for People with Mobility Handicaps: A Guide to Good Practice*" was on track for presentation to ECMT Ministers at their Dublin Council in May 2006. The Guide will offer good practice in a range of accessible transport areas, notably access to travel information, the road and pedestrian environment, transport infrastructure, vehicles, new/innovative transport services, and the role of the Government.

Second, ECMT began an examination of **Improving accessibility for persons with Intellectual disability and mental health problems**. This area has been somewhat slighted to date in accessible transport policy and research. For this reason the Access and Inclusion Group pointed to it as a priority for the Group's work current programme.

The study, scheduled for completion in 2006 - will attempt to better understand how the needs of individuals with these disabilities are (or are not, as the case may be) being addressed in transport planning, policy and practice.

### *Improving Access to Taxis*

A major study on "Improving Access to Taxis" was launched in June 2005 in co-operation with the International Road Transport Union (IRU). This work follows up the joint report published by the ECMT and IRU in 2001 on Economic Aspects of Taxi Accessibility, and is focusing on design of accessible taxi vehicles.

A joint ECMT-IRU task force comprised of representatives from both government and the taxi industry was formed to oversee the work, an important part of which is involving dialogue with automobile manufacturers on vehicle design aspects. A seminar with representatives of the car industry was held in October 2006, with a follow-up seminar planned for January 2006.

The study is scheduled for completion in 2006.

### *Accessibility in Spain*

Barcelona was the site of a seminar on *Policies and Actions for Accessible Transport in Spain* on 7 October 2005. Organised alongside a meeting of the ECMT Access and Inclusion working group, the seminar was hosted by CEAPAT, the Spanish State Centre for Personal Autonomy and Technical Assistance under the auspices of the Ministry of Labour and Social Affairs.

Interventions at the seminar showed how Spanish authorities and operators of buses and trams in Barcelona, as well as Madrid metro, suburban railway and taxis are translating into action the commitment to improving accessibility embodied in the 2003 National Law for Equal Opportunities, Non Discrimination and Universal Accessibility as well as other legislation in Spain.

[www.cemt.org/topics/handicaps/index.htm](http://www.cemt.org/topics/handicaps/index.htm)

## Combating Crime and Terrorism in Transport

Following four years of focus on improving security and combating terrorism in the transport sector, which produced two Ministerial Declarations on the topic in Bucharest (2002) and Ljubljana (2004), and, among others, the publication of a joint ECMT-OECD report on *Container Transport Security Across Modes*, the ECMT turned its focus in 2005 to a more "traditional" area of transport crime, that of attacks on drivers of heavy goods vehicles.

This topic had been signaled by both the ECMT's Steering Group on Combating Crime and Terrorism in Transport and the ECMT Committee of Deputies as an area of growing priority at a national level. For this reason, the ECMT, together with the International Road Transport Union (IRU), launched in June 2005 a joint study on **Attacks on Drivers of International Heavy Goods Vehicles**.

With indications that this type of crime is on the rise in Europe, the study is trying to ascertain the extent of the problem, identifying trends and patterns in attacks on drivers, as well as the reasons, methods and locations of these attacks. The study will also seek to identify prevention methods, as well as health, safety and legal considerations for drivers and transport company managers.

Two comprehensive surveys were undertaken in 2005 to support the analysis for the project: a web-based inquiry on the experience of drivers and managers; and a questionnaire designed to obtain information from authorities on the national legislative and regulatory contexts related to this problem. In addition, four sets of face-to-face interviews were conducted with drivers of vehicles involved in international road transport at truck stops along the German-Polish border, in the UK, in Hungary near Budapest, and near Torino, Italy.

The study is scheduled for review by the ECMT Steering Group and completion in 2006.

[www.cemt.org/topics/crime/index.htm](http://www.cemt.org/topics/crime/index.htm)

## Fiscal and Financial Aspects of Transport

Work in 2005 concentrated on preparing recommendations for Ministers on **Phasing out Discriminatory Charges in International Road Haulage** (see Section on Main documents approved by Ministers). This included updating and improvement of the **Road Haulage Taxation Database** [www.cemt.org/topics/taxes/AnnexB3e.xls](http://www.cemt.org/topics/taxes/AnnexB3e.xls)

The Group also prepared a **Reiteration of the ECMT position on road charging policy** [www.cemt.org/topics/taxes/ECMTRoadChargingPolicy.pdf](http://www.cemt.org/topics/taxes/ECMTRoadChargingPolicy.pdf) that concluded as follows.

Pricing the use of roads intelligently is important. Inappropriate structures and levels of charges can result in unnecessary economic losses. High charges on un-congested parts of the network can suppress trade and economic activity. Failing to price congestion on over-crowded parts of the network burdens the economy through traffic delays and disruption and it can render investments in new road capacity ineffective.

There are two main elements to an appropriate pricing strategy.

- In order to price roads efficiently, charges relating to their use (km charges and tolls in combination with fuel taxes) should be based on marginal social costs, including the costs of congestion and environmental damage. Pricing on this basis seeks to charge traffic-dependent costs close to the point at which they are generated. This should be the main goal for fiscal policy in the transport sector in the long term.
- Efficient use of existing infrastructure is not the only relevant criteria. Some governments make the political decision to fund a large part of total infrastructure expenditure from user charges rather than from general taxation. This will require higher charges on uncongested parts of the network. The least economically damaging way to meet a cost recovery target when it exceeds revenues from efficient road use charges is to levy additional fixed charges in the form of annual taxes on the possession of vehicles or in the form of periodic access charges.

Cost recovery policies differ between countries and therefore some freedom in the way fixed charges are applied is required. Nevertheless, the European Union has adopted a minimum rate for vehicle taxes designed as a floor to prevent tax competition between its member countries and there might be scope for extending the geographical coverage of the tax floor.

It is not appropriate, however, to levy transit charges on foreign registered vehicles as a proxy for national vehicle taxes, because of the discrimination that can result. If cost recovery from international traffic is seen as important, the response should be to rely on higher territoriality based charges, such as electronic km charges, tolls or Eurovignette-type charges, with off-setting reductions in national fixed charges. This is likely to be consistent with reforming transport taxes for efficiency, particularly if the km charges or tolls are differentiated according to congestion.

Policies adopted in the European Union will have a major influence on the efficiency of transport throughout the ECMT region. It is therefore important that:

- As provided for in the Eurovignette Directive Amendments agreed by the EU Council on 21 April 2005, the price cap adopted is reviewed for efficiency.
- In the longer term, infrastructure use charges should be based on short run social marginal costs rather than expenditures and national governments should be free to differentiate charges to reflect local costs, particularly in relation to congestion.
- International guidelines and default values should be established for estimating costs that are not easy for national and local governments to assess; this would greatly facilitate implementation of an efficient common road charging policy.

[www.cemt.org/topics/taxes/index.htm](http://www.cemt.org/topics/taxes/index.htm)

## **Integration of New Member States**

With the accession of ten new countries to the EU, ECMT has reorganised its work on Integration. The Group on the Integration of New member States has achieved many of its objectives and new arrangements were needed to provide additional opportunities for countries outside the Union.

Following the adoption of the new programme of work, it was agreed that a more regional approach would be one way forward and it was decided to replace the Integration Group by Task Forces, whose working methods will be more flexible. At the Ministerial Session in Ljubljana, Ministers from South-East Europe welcomed this approach and supported ECMT setting up a Task Force to deal with specific issues in the region.

This Task Force on South-East Europe held its first meeting at the kind invitation of the Croatian Government in Cavtat on 11 March 2005, to explore areas where ECMT could usefully contribute. More information on this meeting is available in the section entitled "Other Major Events in 2005".

The Secretariat prepared a document for this meeting which describes the different international initiatives in the region. This document gives information on the various programmes, initiatives and/or institutions dealing with transport in South-East Europe. For each of these initiatives, it indicates the Countries involved, the sponsors, the content of the programme and links to other projects. This document will be regularly updated.

[www.cemt.org/topics/SouthEast/index.htm](http://www.cemt.org/topics/SouthEast/index.htm)

## Intermodal Transport and Logistics

In May 2005, the conclusions of a Seminar on "**Intermodality Europe-Asia: Opportunities and Challenges**", held in Kiev (Ukraine) on 27 and 28 September 2004, were presented to the Council of Ministers (see section on Main documents approved by Ministers).

Ministers adopted a Plan of Action for the promotion of intermodal transport on Europe-Asia links.

The Council of Ministers also adopted a series of recommendations on the use of "model" action plans and partnership agreements for intermodal transport. These provide an agreed basis for governments and all actors in the sector to co-operate with each other with a view to improving international intermodal transport services.

Apart from promoting and implementing these Plans of Action, the joint ECMT-UNECE Group on Intermodal Transport and Logistics is at present working on the impact of rail freight liberalisation on the development of combined transport.

[www.cemt.org/topics/combined/index.htm](http://www.cemt.org/topics/combined/index.htm)

## Railways

Work on railways focused on preparation of the report on **Railway Reform and Charges for the Use of Infrastructure** for the Moscow Council (see section on Main Documents approved by Ministers).

An Update of the **Review of Regulatory Reform of Railways in the Russian Federation** was also prepared for the Moscow Council (see [www.cemt.org/topics/rail/RusRailSume.pdf](http://www.cemt.org/topics/rail/RusRailSume.pdf)). This concluded that the urgent need is to continue the program of reforms adopted in 2001. The profound transformation of the railways over the last three years has been achieved in a remarkably short time and positive results in terms of investment, productivity and traffic are already apparent. The risks of delay are probably greater than the risks of pushing through the reforms. Given the rapid pace of economic development in Russia, allowing the railway reforms to lag behind could be very damaging both to the rail system and to the national economy. Planning and analysis for the next stages of reform should commence as soon as possible. Questions that need immediate attention include:

- In which areas of Russia, and for what commodities, is rail versus rail (as opposed to truck versus rail) competition needed?
- The current tariff schedule (10-01) needs to be reviewed to determine if it encourages or discourages the entry of new common carriers and the development of licensed own-account carriers into businesses that will compete with RZD across the full spectrum of general freight. It is also important to determine whether the tariff schedule permits adequate pricing flexibility for rail freight carriers, including RZD, to compete with trucking companies for high value freight?



- Will there be line versus line competition in Western Russia? If so, how should the railway be divided and restructured? What data are required to design a system of competing railways that minimises the need for detailed regulatory intervention? Will the competition be on parallel track, at commonly served points, or both?

Though RZD will need to prepare for the next stages of reform with analysis of the potential options, it cannot be expected to lead the process of introducing competition. This can only be done by the Government and its regulatory agencies. It would help to identify a lead ministry or agency in this regard. The priority for RZD will be in adapting its methods of analysing costs to a market environment. The respective roles of the Ministry of Transport and the Ministry for Economic Development and Trade would benefit from clarification, together with the role in the rail sector of the Federal Antimonopoly Service and the Federal Tariff Service, particularly in relation to leading reforms aimed at promoting competition in rail markets.

[www.cemt.org/topics/rail/index.htm](http://www.cemt.org/topics/rail/index.htm)

## Road Safety

Recent trends in road accidents have induced the Council of Ministers to set up specific quantitative targets for road safety such as the reduction by 50% of the number of deaths in road accidents for all ECMT Member countries by 2012. To this end, the Group on Road Safety:

- Defined the conditions governing the implementation and monitoring of the target of reducing the number of deaths by 50%, in a document submitted to and approved by the Council of Ministers meeting in Ljubljana in May 2004. The Group follows progress made at national level and tries to ensure coherency in achieving the target. A mid-term report should be presented to the Council of Ministers to be held in Dublin in 2006.
- Monitored the conditions governing the implementation in different countries, of the ECMT Key Recommendations on Road Safety. These Key Recommendations should soon be published.

Also, a Peer Review of Road Safety Policy in the Russian Federation has been completed and will subsequently be published. The review team in Russia included experts of ECMT, World Bank and WHO, representing Austria, Finland, Netherlands, New Zealand and the United Kingdom.

[www.cemt.org/topics/safety/index.htm](http://www.cemt.org/topics/safety/index.htm)

## Road Transport

The Group on Road Transport continued its work on **social aspects** on:

- The harmonized application and control of driving and rest times, and in particular on working out a procedure for exchanging information on infringements of the AETR or equivalent regulations.
- Establishing a linkage between an increase in the ECMT's multilateral quota and compliance with the social conditions (despite the reticence of several delegations and the general reservation expressed by Austria).
- The international harmonisation of conditions governing the road freight transport market.

The Group broadened the scope of its activities in this field in examining the conditions governing the road passenger transport market. In this context a Seminar "**Facilitating International Regular Services by Bus and Coach in Europe**" was jointly organised with IRU in the framework of the 4th European Bus and Coach Forum, to be held in Kortrijk, Belgium, on 21 October, 2005 (see section on Other major events).

To meet the demands of the Council of Ministers in Moscow in May 2005 as far as the **ECMT Multilateral quota** is concerned, the Group started to:

- Draw up a revised edition of the Guide for government officials and carriers on the use of the ECMT multilateral quota, which contains all the provisions governing the ECMT multilateral quota system.
- Fine tune the economic parameters for the calculation of the quota for 2007.
- Propose a new system of conversion and bonuses for the various categories of vehicles benefiting from ECMT licences starting in 2007.

[www.cemt.org/topics/road/index.htm](http://www.cemt.org/topics/road/index.htm)

## Sustainable Urban Travel

The ECMT project on *Implementing Sustainable Urban Travel Policies: Moving Ahead* moved forward under the guidance of the project's Steering Group. Several elements of the project's work programme were implemented and launched during the course of the year, with the objective of completing the work by 2006.

In a major step in the project's advancement, the Ministry for Land, Infrastructure and Transport in Japan hosted the third workshop in the series of the project's three workshops entitled **Implementing Sustainable Urban Travel Policies in Japan & Other Asia-Pacific Countries**. Held in Tokyo on 2-3, March 2005, the workshop focused on the implementation of integrated urban travel policies in Japan, with particular emphasis on public transport, and drew

on other experience in Korea, Hong Kong and Australia as well (please see further description of this event under the section Other Major Events in 2005). All papers from this event as well as the other workshops are available on the ECMT site [www.cemt.org/topics/urban/urbdocs.htm](http://www.cemt.org/topics/urban/urbdocs.htm)

In addition, the Task Force on the Collection and Monitoring of Urban Travel Data continued its examination of the difficulties in collecting, monitoring and using empirical information from cities on travel activity, launching a survey of country experience in this area to serve as input to the Task Force's report.

A second survey was launched to provide country information to a draft report in progress on Organisation and Financing of Urban Public Transport.

All elements of this work were scheduled for completion in 2006, and will serve as input to the final report of the project, to take the form of Guidelines for Governments on Implementing Sustainable Urban Travel Policies.

[www.cemt.org/topics/urban/index.htm](http://www.cemt.org/topics/urban/index.htm)

## Transport and the Environment

Work began in 2005 on a review of policies for reducing CO<sub>2</sub> emissions from transport, and on eliminating gaps between on-road NO<sub>x</sub> emissions and tested vehicle emission levels under emission control and vehicle certification regulations. The Group also examined inland waterways and environmental protection and in particular improved planning processes to manage all of the pressures on river basins in a more integrated manner. These projects will be completed in 2006 and presented to the session of the Council of Ministers.

[www.cemt.org/topics/env/index.htm](http://www.cemt.org/topics/env/index.htm)

## Statistics

Since 1991, co-operation between the United Nations Commission for Europe (UN/ECE), the Statistical Office of the European Communities (EUROSTAT) and the ECMT has been strengthened considerably by the establishment of an Intersecretariat Working Group in which the ECMT Secretariat participates actively under the supervision of the Group of Statisticians. During 2005, the Secretariat prepared the following statistical documents:

- The fourth edition of the Glossary for Transport Statistics which will include an update of the road chapters as well as a new chapter on air transport.
- The WEB version of the Common Questionnaire for Inland Transport Statistics to collect data for the year 2004.
- The annual leaflet Trends in the Transport Sector 1970-2004.

The Secretariat also carried out regular up-dates of the database on Short-Term Trends in the Inland Transport Sector. Surveys were carried out in order to complete this database, aiming at collecting every quarter, information for each individual country on goods and passenger transported by rail, goods transported by road and inland waterways, data on road traffic, first registration of brand new road vehicles, motor fuel deliveries, number of road fatalities, and also general economy information (imports, exports, industrial production). During the year 2005, four quarterly surveys were undertaken and the information is available on the ECMT web site:

[www.cemt.org/stat/conjonct/index.htm](http://www.cemt.org/stat/conjonct/index.htm)

The aim of the survey on Investment in Transport Infrastructures is to compile data and prepare a report for Council to describe trends in infrastructure development, covering maintenance and investment. However, due to the quality of the information gathered, additional investigations and a new data collection will be carried out in 2006. Final results will be then published at the end of 2006.

## JTRC ACTIVITIES IN 2005

### Joint OECD/ECMT Transport Research Committee

#### Chair

Houko LUIKENS (Netherlands)

Working Groups	Chair	Secretariat
Young Driver Risks and Effective Counter-Measures (TS1)	<b>Divera TWISK</b> (Netherlands)	Colin STACEY
Speed Management (TS2)	<b>Jacques NOUVIER</b> (France)	Véronique FEYPELL
Achieving Ambitious Road Safety Targets (TS3)	<b>Eric HOWARD</b> (Australia)	Véronique FEYPELL
Tackling Traffic Congestion in Larger Metropolitan Areas (TO1)	<b>Tom WORSLEY</b> (United Kingdom)	Philippe CRIST
Economic Evaluation of Long-Life Pavements: Phase II (IM3)	<b>Jorgen CHRISTENSEN</b> (Denmark)	John WHITE
Transport Infrastructure Investment: Funding Future Infrastructure Needs (TI1)	<b>Urban KARLSTRÖM</b> (Sweden)	Colin STACEY
Improving Surface Transport Sustainability (ET1)	To be decided	Philippe CRIST
International Traffic Safety Data and Analysis (IRTAD)	<b>Josef MIKULIK</b> (Czech Republic)	Véronique FEYPELL
International Transport Research Documentation (ITRD)	<b>Colin HOWARD</b> (United Kingdom)	Véronique FEYPELL

Round Tables	Chair	Secretariat
133 - (De)-Regulation of the Taxi Industry	<b>Yves CROZET</b> (France)	Andreas KOPP
134 - Europe and Central Asia: Market Access, Trade in Transport Services and Trade Facilitation	<b>George GIANNOPOULOS</b> (Greece)	Andreas KOPP
135 - Transport Infrastructure Charges and Capacity Choice	<b>Werner ROTHENGATTER</b> (Germany)	Andreas KOPP
136 - Estimation and Evaluation of Transport Costs	<b>Tae Hoon OUM</b> (Canada)	Andreas KOPP

## Research Working Groups

*The Joint Transport Research Centre carries out research working group projects with participation from member countries in order to provide policy-oriented recommendations and suggestions for improvement in key current research areas. This research forms part of the JTRC's programme of work and is overseen by the OECD/ECMT Transport Research Committee. In 2005, the programme contained six research working group projects.*

### Economic Evaluation of Long Life Pavements, Phase II

The study *Economic Evaluation of Long Life Pavements - Phase 1* (OECD, 2005) assessed the likely envelope of costs for economic viability of new long life wearing courses for road pavements on highly trafficked roads. Taking into account maintenance and user cost savings in the longer term, for economic viability, such long life wearing courses would need to have an expected life of approximately 30 years and cost no more than three times as much to construct as wearing courses currently in use. Two prospective candidate materials were identified for further research: *epoxy asphalt* and *high performance cementitious materials*.

The Working Group on Economic Evaluation of Long Life Pavements Phase II, which is chaired by Mr. Jorgen Christensen (Denmark), has 38 members from 22 countries. The objective of this second phase of the project is to strengthen the knowledge about the potential and the limitations of these two prospective candidate materials - *epoxy asphalt* and *high performance cementitious materials* - by rigorous testing in the laboratory and, if justified by the results obtained, selected tests in accelerated loading facilities.

Nine national laboratories are participating in the wearing course testing programmes, which are being led by Technical Coordinators from the Federal Highway Administration in the United States and LCPC in France. Each participating laboratory has procured an epoxy-asphalt material and identified an aggregate and mix design material for testing. Epoxy-Asphalt mix designs are based on a standard dense graded hot mix and/or a surface mix. Each participating laboratory is utilizing local materials and standard test procedures (those typically used in the design of high volume pavements). Effectively the epoxy-asphalt is being compared with a reference binder (typically a modified binder) using the same testing and mix design.

For High Performance Cementitious Materials (HPCM), two options were considered. Firstly, a thin layer of ultra-high performance, fibre reinforced mortar in which artificial aggregate particles are embedded. This wearing course, which could be as thin as 8 mm, is bonded to a bituminous base layer. Second, a thicker HPCM wearing course, which has exposed aggregate, comprising a high performance concrete layer up to 50 mm thick, fibre-reinforced and bonded to the asphalt binding course.

The Phase II work on this project is making good progress. Based on the encouraging results to date, selected tests are being planned in accelerated load test facilities.

The project is expected to be completed and reported in 2007. The outcomes should be of interest and importance to most road administrations, given the potential to increase the longevity of wearing courses on heavily trafficked roads, with reduced overall costs in present value terms.

For more information, please contact John White at [john.white@oecd.org](mailto:john.white@oecd.org).

## Speed Management

Speeding - i.e. excessive and inappropriate speed - is the number one road safety problem in many countries, often contributing to as much as one third of fatal accidents. Speed is an aggravating factor in the severity of all accidents. Speeding is a widespread social problem as, typically, at any time 50% of drivers are above the speed limits. Higher vehicle speeds also contribute to increased greenhouse gas emissions, fuel consumption and noise and to adverse impacts on quality of life, especially for people living in urban areas.

Reduced speeding can immediately reduce the number of fatalities and injuries, which is why speed management should be a central element of any road safety strategy. The underlying aim of speed management is to achieve a "safe" distribution of speeds throughout the road system which reflects the different functions of the roads in the road system. For this aim to be achieved, drivers' choices of speeds need to be appropriate to the prevailing conditions and in harmony with the road environment. As well, the driving environment needs to give appropriate clues to drivers about their choices of speed.

A coherent consistent policy is required to manage speed effectively. The policy needs to achieve a balance between speed management measures, which include: speed limits / appropriate speeds, safer infrastructure with cost-effective improvements, clear and consistent signs and signing, education and training, safer vehicles, and the use of new technologies, such as intelligent speed adaptation. Such measures also need adequate enforcement, which is centrally important to speed management and should include a visible police presence, manual enforcement and automated enforcement (eg using speed cameras and road section control).

The Working Group on Speed Management, chaired by Mr. Jacques Nouvier (France), and with the participation of experts from 19 countries, held its final meetings in 2005 and expects to publish its final report in 2006. This report will capture information on latest research regarding these individual measures and guidance on the elaboration of a speed management policy.

For more information, please contact Véronique Feypell at [veronique.feypell@oecd.org](mailto:veronique.feypell@oecd.org).

## Young Driver Risks and Effective Counter-measures

The human, social and economic costs of young driver risk are unacceptably high. While young driver deaths have decreased in many countries in recent years, the gap between young and older driver fatalities rates remains stubbornly high. Addressing this problem will be a key action that countries can take to help them meet their road safety targets.

Traffic crashes are the greatest cause of death among young people in the OECD, killing about 25 000 per year, and the situation can be assumed to be equally grim in non-OECD ECMT countries. Across the OECD, drivers under 25 years-old account for about 27% of all driver fatalities, while people in the same age group only represent only 10% of the overall population. Furthermore, Dutch and US research shows that, for every young driver killed, 1.3 or more other people also die in the same accidents. Overall, between 20% and 30% of total traffic fatalities result from crashes involving a young driver.

The causes are well known - principally age, experience and gender. Learning to drive is difficult for anyone, including young drivers. At the same time, immaturity and age-related lifestyles also play a role. Furthermore, it has clearly been demonstrated that young male drivers represent a far greater risk than young females - often two to three times greater - even when the numbers of kilometres driven are taken into account.

There is no single solution to the problem. Rather, the goal of reduced young driver crashes must be pursued through a combination of countermeasures involving the licensing process, training and learning methods, enforcement, education and communication, and technology. Effective protective measures are available which can reduce the risks young drivers pose to themselves and other road users, which can be implemented through probationary licensing processes. These actions will not always be popular, and will require leadership and commitment, as well as a clear understanding of the costs and benefits of action.

The JTRC research project on Young Driver Risks and Effective Countermeasures which is chaired by Ms. Divera Twisk (the Netherlands) began in 2004, combining the efforts of experts in the field from throughout our member countries. The final report based on this work is expected to be published in 2006. See [www.cemt.org/JTRC/WorkingGroups/YoungDrivers/index.htm](http://www.cemt.org/JTRC/WorkingGroups/YoungDrivers/index.htm)

For further information, please contact Colin Stacey at [colin.stacey@oecd.org](mailto:colin.stacey@oecd.org).

## Tackling Traffic Congestion in Larger Metropolitan Areas

Despite a sometimes pessimistic outlook regarding congestion across urban areas, much can and should still be done to alleviate congestion and reduce its most extreme and regressive effects. While posing problems for roadway users and managers, traffic congestion is often the outcome of other, "successful" urban policies (i.e. job creation, dynamic growth, etc.). It is unrealistic to expect that dynamic, affordable, livable and attractive urban regions will ever be free of congestion.



It is therefore more useful to focus on the management of congestion with an eye to reducing the burden it imposes upon travellers and urban dwellers - rather than on trying to deliver free-flow travel speeds throughout the road network which is an un-economic and oftentimes an un-achievable objective. Road users want reliable door to door trips which are relatively free of stress. Measures aimed at delivering free flow speeds on only some parts of the network rarely meet these needs.

Targeting travel time variability and the most extreme congestion incidents can deliver rapid, tangible and cost-effective improvements – unreliable and extremely variable travel times impose the greatest "misery" on roadway users. An increase in the reliability and predictability of travel times can rapidly reduce this "misery. Typical measures include planning and coordination of roadworks and speedy response to incidents such as defective traffic signals and blockages caused by accidents. Variable message signs and public congestion information systems can also help.

In attempting to deal with existing congestion or avoid expected future congestion, many administrations adopt measures whose *de facto* outcomes are twofold:

- They either free up of existing capacity (e.g. such as policies that draw travellers to public transport or policies designed to shift peak-hour traffic); or
- They increase the *overall supply of roadway capacity* by expanding capacity on existing routes or on alternative routes.

Experience has shown that while such additional capacity can be expected to provide improved levels of service, often there is only short term relief. In many locations and circumstances, demand levels and patterns are likely to continue to increase and adapt to new availability of roadway capacity, eventually leading to congestion returning to previous, if not worse, levels.

The Working Group therefore considered it important for administrations to take a more strategic approach in dealing with traffic congestion. The focus should be on the overarching policies and strategies that can serve to guide congestion management approaches on a *network basis and protect available capacity from being overwhelmed by demand*. The latter orientation requires some form of roadway management that goes beyond what most administrations have put into place to date.

The Working Group on Tackling Traffic Congestion in Larger Metropolitan Areas is chaired by Mr. Tom Worsley (United Kingdom), and has the participation of 33 members from 15 countries. The report of the Working Group will be finalised in 2006.

For further information, please contact Philippe Crist at [philippe.crist@oecd.org](mailto:philippe.crist@oecd.org).

## Transport Infrastructure Investment: How to Fund Future Infrastructure Needs

Funding transport infrastructure maintenance and development needs is a growing challenge shared by all governments. Rising costs and competing priorities are increasingly demanding more innovative solutions that lead to new efficiencies. While public-private partnerships (PPPs) play an important role, they typically do not account for all, or even most, of countries' infrastructure investments. Furthermore, whatever the innovative financing mechanism chosen, governments will remain accountable in the eyes of the public for the overall functioning of the transport system and any element of it. This means that innovative financing mechanisms do not alleviate government of its role in transport infrastructure investment, but rather transform that role.

With this as a backdrop, the JTRC's research working group project focuses on the use of innovative financing mechanisms to fund future inland transport infrastructure development and maintenance needs. The aim is to identify regulatory, financial and contracting frameworks that can best provide the necessary public interest protections and incentives, taking into consideration both specific projects and whole networks.

The working group is chaired by Mr. Urban Karlstrom (Sweden) and made up of experts from 17 countries. In 2005, extensive inputs were provided by members as well as through targeted consultancies. The group is also collaborating closely with other international organisations working in this field. Furthermore, there is close co-operation with the OECD's International Futures Programme project on *Global Infrastructure Needs: Prospects and Implications for Public and Private Actors*, which is focussed on the global outlook in the long term.

The final report from the Transport Infrastructure Investment: Funding Future Needs project is expected in 2007. Additional information is available on our web page, at [www.cemt.org/JTRC/WorkingGroups/Infrastructure/index.htm](http://www.cemt.org/JTRC/WorkingGroups/Infrastructure/index.htm)

For further information, please contact Colin Stacey at [colin.stacey@oecd.org](mailto:colin.stacey@oecd.org).

## Achieving Ambitious Road Safety Targets

Road crashes account for around 180 000 deaths every year in OECD and ECMT countries, i.e. on average one fatality every 3 minutes. Of course, there is a wide range of safety performance within OECD/ECMT countries. The best performing countries have fatality rates of around 5-7 killed per 100 000 population. Countries with relatively low levels of road safety performance have typically not yet reached their peak and the number of fatalities is continuing to increase. There are a large number of countries whose level of road safety performance falls between these two groups. In this context, many countries have set up targets to reduce the number of fatalities and injuries on their roads. Such targets raise the profile of road safety and

focus the national efforts to achieve further reductions. Indeed, in all countries, significant numbers of lives can be saved by concerted and resolute action.

The Working Group, chaired by Mr. Eric Howard (Australia) and composed of 38 experts from 22 countries and 3 international organisations, started its work in 2005. The objectives include to identify traditional and innovative road safety approaches which can contribute to the achievement of the road safety targets set by governments and thus to reduce the number of road fatalities. Key questions to which the working group will try to give answers are: How can countries with the best road safety performance further decrease fatality levels and how much can these countries achieve using current best practice approaches? How can other countries best apply the experience of the better performing countries to achieve significant reductions in fatalities?

In 2005, the Working Group undertook an extensive survey of road safety performance and progress towards targets in OECD/ECMT countries, which will be published in 2006 as the first output from the Working Group. It also conducted a survey on road safety funding and resource allocation, which will be key elements of the final report. Preliminary results show that there is huge unbalance in the expenditures spent on crash treatment and those spent on crash prevention, which will lead to further analysis by the working group and possible recommendations on resource allocation in the final report.

Further work will be done in 2006, including the continuation of in-depth analysis of accident types, which seem to have been immune to traditional road safety measures. As an example, preliminary data analysis shows that in several countries, run-off accidents have not decreased, whereas most other conflict types have. This type of analysis is very important to better understand the crash situation in one's country and to develop counter measures which are tailored to each country needs. Analysis of new road safety or (re-)emerging risks is also a major task of the Group, including driving while impaired by drugs, pedestrians, increasing volumes and risks associated with heavy goods vehicles and driving, repeat offenders, fatigue, etc.

Finally the working group is trying to better identify implementation issues associated with safety policy and to present the traditional road safety measures in the framework of a new thinking of road safety (a safe system approach), which could in turn change the way to address road safety issues.

The final report of the working group is expected to be published in 2007. For more information, please contact Véronique Feypell at [veronique.feypell@oecd.org](mailto:veronique.feypell@oecd.org).

## Round Tables

*The Joint Transport Research Centre carries out research relating to transport economics in order to back up and supplement policy making. Its research is overseen by the OECD/ECMT Transport Research Committee, and it is in this framework that a research programme is drawn up on a regular basis. In 2005, the programme contained four Round Tables.*

### **(De)-Regulation of the Taxi Industry** **Round Table 133, 14-15 April 2005**

The Round Table was chaired by Yves Crozet from the Laboratoire d'Economie des Transports. Background papers were presented by Catherine Liston-Heyes from Holloway University London, J. Bekken from the TOI, Norway, P. Bakker from the AVV, the Netherlands and Denis Cartier, Canada.

The objective of the Round Table was to assess the basic rationale of the liberalization of the taxi industry, and the experiences with taxi regulation in OECD and ECMT member countries. The basic rationale of taxi regulation has several dimensions, the regulation of entry into the industry, pricing and the quality of services. The conceptual discussion concluded that the argument for improved capacity utilization through entry restrictions has little empirical weight. On the contrary, the case could be made that an increased entry and the associated economies of density as well as shorter passenger waiting times warrant subsidies for entry.

The need for price regulation depends on the type of taxi market and the market structure. The fact that consumers face search and switching costs when demanding taxi services implies considerable price setting power for the taxi operator. The abuse of that market power is higher in an unknown geographic environment and in a cruising market. In markets which are dominated by dispatch centres, firms may earn a reputation for high or low service prices, which opens up the possibility of some price competition. A similar argument applies for the quality of the services. The need for regulation is higher the more the market is anonymous. Again, dispatch centres enhance the self-regulatory role of competition for repeat customer relations through building up a good reputation.

Experiences with deregulating the taxi industry are mixed. Where the taxi industry has been liberalized there has been a generally massive entry, having led to consumer benefits in the form of reduced waiting times. Increased entry has generally been associated with higher prices due to the higher cost per passenger-mile. Service quality had often gone down with liberalization, suggesting a sustained need for quality control after deregulation. There have been attempts to reintroduce entry restrictions by quality standards which strongly favour incumbents.

Price regulation has to take account of the increased costs if carried out simultaneously with entry deregulation. Price ceilings have proven to be a problematic instrument of price regulation: they have worked as coordination devices leading to a sector-wide coordinated increase in prices for taxi services. Political tension has arisen from the decrease in the prices for taxi licences. The Irish Government has compensated the households of operators who suffered economic distress due to the reduced value of the licence. In some cases entry in the form of an increased fleet size per firm has been favoured, with positive effects on the containment of price increases and the post-deregulation quality of services. The discussion confirmed the timeliness of the Round Table and highlighted the policy relevance of the results for member countries' national policies.

**Europe and Central Asia: Market Access,  
Trade in Transport Services and Trade Facilitation  
Regional Round Table 134, 12-13 May 2005 (Thessaloniki, Greece)**

The Round Table discussed the role of bilateral, regional and global multilateral processes of trade liberalization, and trade in transport services in particular. Background papers were provided by Pierre Latrille from the World Trade Organisation, Ian Wooton from Strathclyde University, Deunden Nikomborirak from the Thai Development Research Institute, T.R. Lakshmanan from Boston University, Vassilios Sarigiannidis from the Greek Ministry of Transport, Georgia Aifadopoulou from CERT/HIT in Thessaloniki, Dimitar Stoyanov from the Technical University Sofia and Panicos Demetriades from the University of Leicester.

Concerning the multilateral process of the liberalisation of trade in transport services, the many exemptions from the general WTO procedures to liberalise trade for transport services have led to a very complicated negotiation progress which suggests that rapid progress in multilateral liberalisation is unlikely. Most of the agreements on facilitating international transport in the region are sought on a bilateral basis, with the danger of mutual inconsistencies.

The Round Table had cautioned that the positive effects from trade liberalization might not automatically materialise for the transport sector. Whether increased competition and a reduction in international transport costs result, depends on the changes in the market structure following from greater integration of national markets.

The Round Table had cautioned that the positive effects from trade liberalization might not automatically materialise for the transport sector. Whether increased competition and a reduction in international transport costs result, depends on the changes in the market structure following from greater integration of national markets.

The background paper on the benefits of international coordination of transport infrastructure policies showed that the rates of return could be higher than the rates of return of capital markets, indicating underinvestment. The discussion highlighted the general danger of a

short-run orientation of national transport infrastructure policies and a neglect of the mutual benefits of coordinating policies. It was emphasized that research should help to raise awareness of the benefits of internationally coordinated transport infrastructure policies.

The final round of the Regional Round Table discussions had focused on the benefits of short-run trade facilitation measures. According to World Bank estimates, trade facilitation measures had the potential to increase national incomes by US\$100 billion, with 60 per cent of those benefits accruing to the Central Asian and Eastern European countries which are not members of the European Union. Speakers from Southeast Europe emphasized the synergies between general measures to facilitate trade and policy action to increase transport security.

## **Transport Infrastructure Charges and Capacity Choice**

### **Round Table 135, 29-30 September 2005**

The event was chaired by Werner Rothengatter (Technical University of Karlsruhe and Chairman of the Council of Advisers to the German Ministry of Transport, Construction and Urban Affairs). The background papers were prepared and presented by Georgina Santos (Oxford University), Erik Verhoef (Free University of Amsterdam), Barry Potter (Director, Office of Budget and Planning, International Monetary Fund) and Kenneth Gwilliam (formerly World Bank, now consultant to the Department of Transportation, Florida).

The Round Table discussed the possibilities of increasing the availability for financing transport infrastructure investment and maintenance by implementing a quasi-market for transport infrastructure services. The combination of infrastructure charging as a fee for service with criteria to expand the infrastructure capacity is expected to correct the impression by parts of the general public that charges are a hidden tax increase and therefore improve the political acceptability of infrastructure pricing.

A first part of the discussion clarified the self-financing possibilities of the provision of infrastructure services. The difficulty of establishing such a quasi-market of infrastructure services for a self-financing fee lies in the lumpiness of infrastructure facilities. This lumpiness implies that with increasing demand the cost per user decreases. Per-km charges which would cover the full cost of the infrastructure facility would therefore imply that infrastructure is underused. In general this means that cost coverage should be achieved by a lower per-km charge, equal to the additional infrastructure costs brought about by the extra users plus a fixed access charge (such as a vignette or a vehicle tax).

The pricing problems resulting from the lumpiness of infrastructure facilities do not occur if there is congestion. If the per-km charge includes the extra infrastructure costs and the congestion costs caused by the last user, the revenues cover the full cost of the facility without requiring a fixed charge. With this pricing rule, revenues in excess of the full infrastructure costs indicate net benefits from the expansion of the infrastructure capacity.

The second part of the Round Table discussion had raised the issue of the desirability and sustainability of transport infrastructure funds. It discussed the controversy which had existed between the International Monetary Fund and the World Bank on this topic. The IMF had opposed setting up investment funds, arguing that it would distort the budget process by limiting the programming possibilities of finance ministries. Moreover, there were doubts about the commitment to not use infrastructure funds for conspicuous projects. The World Bank, on the other hand, had emphasized that infrastructure funds were needed to counter the endemic shortage of resources for transport infrastructure investment and in particular maintenance in countries with weak fiscal structures. The Round Table discussed the institutional design of road funds which both institutions support as "Second Generation Road Funds".

The need for implementing a self-financing charging system might result from discrepancies between physical transport infrastructure planning and support by budget allocations. In particular the underfunding of the maintenance of transport infrastructure could be remedied by cost recovery mechanisms. An efficient mechanism to provide infrastructure services requires the implementation of a two-part charging system, based on a unit of service charge which is based on the extra costs resulting from increases of usage and a fixed access charge which might be required to cover the full costs of facilities which are not congested.

## **Estimation and Evaluation of Transport Costs**

### **Round Table 136, 1-2 December 2005**

The Round Table was chaired by Tae Oum (University of British Columbia) and based on four background papers, introducing the substantive issues of the topic. Background papers were contributed by Antonio Estache (World Bank) and Lourdes Trujillo (Universidad de Las Palmas de Gran Canaria), Piet Rietveld et al. (Free University Amsterdam), Carlos Barros (Universidade Tecnica de Lisbon, Portugal) as well as Philippe Gagnepain (Universidad Carlos III, Madrid) and Marc Ivaldi (Université de Toulouse).

Without information about cost levels in transport or infrastructure service provision it is impossible to identify resource requirements for transport policy. Knowledge of best practice technologies and their associated costs provides the basis for setting operational productivity targets. As was discussed in Round Table 129, data collection and cost estimation efforts are, for example, essential for the implementation of new regulatory mechanisms such as yardstick competition. To help these fundamental planning functions, the Round Table addressed the following questions:

- Do planners and researchers need a broader statistical data base to help transport policymaking?
- Are the methods used in practice adequate to generate the information required for policymaking?
- What are the limits of currently available cost assessment methods? What should guide the selection of methods?
- Are there deficiencies in currently available approaches to estimating and evaluating costs, with a need to develop them further?



Based on the background papers, the Round Table discussion arrived at the following answers:

There was a consensus among Round Table participants that there are deficiencies in the statistical information available, identified for example by comparison with the data available for other infrastructure sectors. Current resource allocations to transport data collection in some member countries leads to the concern that the situation is not improving. Decisions on the scope and design of data collection efforts face a number of problems. Extending the scope of data collection requires a careful estimation of the benefits for transport planning, and an answer to the question of whether they justify the additional costs. Data quality problems arise from the informational asymmetries between data users and data providers. At least in some instances the anticipation of data use, for example for regulatory purposes, will invite the provision of distorted data. When this concerns technical information, engineering data may help to check the data quality.

Cost studies often take inadequate account of external costs. To avoid an ad hoc inclusion or exclusion of external cost data, a careful theoretical analysis of the policy problem at hand must precede the cost estimation. This would also avoid the particularly high costs of an analysis of types of external cost, which might be irrelevant for the policy decision. For example, road damage externality and congestion costs are external costs which are essential for road pricing decisions while other types of external costs are not.

The lack of data might make it difficult to avoid the application of ad hoc methods to assess costs in practice. As examples on infrastructure cost recovery mechanisms showed, the application of crude cost estimation approaches is likely to have negative effects on the design of policy measures, leading to wrong incentives and unintended policy consequences.

The Round Table discussed the pros and cons of partial cost indicators, index numbers of overall factor productivity and methods to estimate cost functions. The estimation of cost functions allows the disentangling of the technical, factor price and scale dimensions of costs. However, as going from partial to general cost statements implies increasing costs for the analysis, a critical assessment of which information is necessary for which policy or planning problem is required. Participants reported that policy discussions often suffered from an overinterpretation of simple cost indicators.

Clear progress has been made in cost assessment methods by including asymmetric information and the consequent incentive structures in the cost estimation approaches. Their extension by including engineering information could help to address the fact that least-cost technologies may not be observable in the market and address the above-mentioned data quality problems due to the self-interest of data providers. An example of the feasibility of such an extension exists for the telecommunications sector.

For more enquiries or additional information on the Round Tables, please contact Andreas Kopp at [andreas.kopp@oecd.org](mailto:andreas.kopp@oecd.org).



## Databases

### The International Transport Research Documentation (ITRD)

The ITRD is a co-operative database of published information on transport research, containing more than 350 000 bibliographical references on transport research literature and ongoing research (reports, books, journal articles, conference proceedings). More than 10 000 new abstracts are added every year in each of the four languages of ITRD (English, French, German and Spanish). The ITRD database can be easily interrogated on-line via Internet or on a CD ROM. It is a very useful tool for transport researchers and transport librarians to find high quality information cost effectively.

The ITRD, which is administered by TRL on behalf of the OECD/ECMT, is fed and animated by its members. The ITRD Operational Committee currently includes 26 Members<sup>1</sup> who benefit from belonging to a dynamic network of transport research librarians and who survey and abstract the published outputs of their countries for inclusion in the ITRD database.

In 2005, the membership fees for OECD, ECMT and non member countries were reviewed and revised. An accessible introductory rate is offered to all new members and a special rate is offered to members from developing countries, so that they can take part in and benefit from this network.

More information on ITRD, its content and access is available on its website:

[www.itrd.org](http://www.itrd.org)

For enquiries or additional information, please contact Véronique Feypell at

[veronique.feypell@oecd.org](mailto:veronique.feypell@oecd.org)

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*1. Current ITRD Members are: ARRB (Australia), KfV (Austria), CRR (Belgium), IBSR (Belgium), TAC (Canada), Danish Road Institute (Denmark), FinnRa (Finland), LCPC (France), INRETS (France), SETRA (France), BAST (Germany), FGSV (Germany), KTI (Hungary), National Institute for Land and Infrastructure Management (Japan), Civil Engineering Research Institute of Hokaido (Japan), IMT (Mexico), SWOV (Netherlands), Norwegian Public Road Administration (Norway), CEDEX (Spain), VTI (Sweden), EPFL (Switzerland), TRL (United Kingdom), TRB (United States), IPR (Brazil), Ministry of Communications (Saudi Arabia), Institute of Scientific and Technical Information (China).*

## The International Road Traffic and Accident Database (IRTAD)

The International Traffic Safety Data and Analysis Group (IRTAD) is an on-going working group of the Centre. Its mandate was revised and enlarged in 2005 to give it greater visibility and an improved integration into intergovernmental co-operation. The IRTAD Group is composed of road safety experts and statisticians from 30 OECD and ECMT countries. Its main objectives are to contribute to international co-operation on road accident data and its analysis. The IRTAD Group works in close co-operation with the safety research Working Groups of the Centre and the ECMT road safety policy Group and provides statistical analysis as required:

The most visible product of the IRTAD Group is the International Road Traffic and Accident Database, the *IRTAD Database*. The IRTAD database includes aggregated data on injury accidents, road fatalities, injured and hospitalised road users as well as relevant exposure data such as population, car park, network length, vehicle kilometrage and seat belt wearing rates from 30 countries covering every year since 1970. Moreover, key road safety indicators are compiled on a monthly basis

The database is accessible for members via the Internet ([www.cemt.org/irtad](http://www.cemt.org/irtad)) and can be easily used for data queries. Aggregate accident data and exposure data can be combined allowing meaningful comparisons for further accident analysis. Currently more than 50 institutes are IRTAD users, representing a wide range of public and private bodies with a direct interest in road safety. All users are represented in the International Traffic Safety Data and Analysis Group.

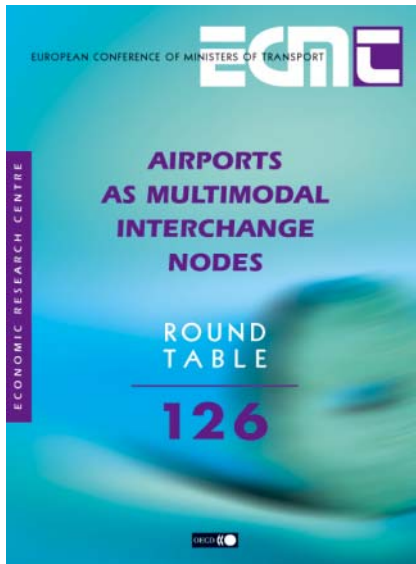
In August 2005, the Secretary General of the ECMT and Director of the Centre, Jack Short, and the Deputy President of the German Bundesanstalt für Strassenwesen, Mr. Reichelt, signed an agreement on the transfer of the IRTAD database from BAST - which hosted and maintained the database since 1988 - to the Centre, which took effect from 1st January 2006.

The Centre in co-operation with the IRTAD Group will continue the high quality work of BAST to further develop the database. In addition, the IRTAD Group will increase its efforts to analyse road safety data and to share its expertise with other countries.

A Workshop on *Road Traffic and Accident Data as a Key Step for Safety Improvements*, organised by IRTAD, will be held in Brno (Czech Republic) in September 2006.

More information can be obtained at: [www.cemt.org/irtad](http://www.cemt.org/irtad)

For more information, please contact Véronique Feypell at [veronique.feypell@oecd.org](mailto:veronique.feypell@oecd.org)



### *Round Table 126* *Airports as Multimodal Interchange Nodes*

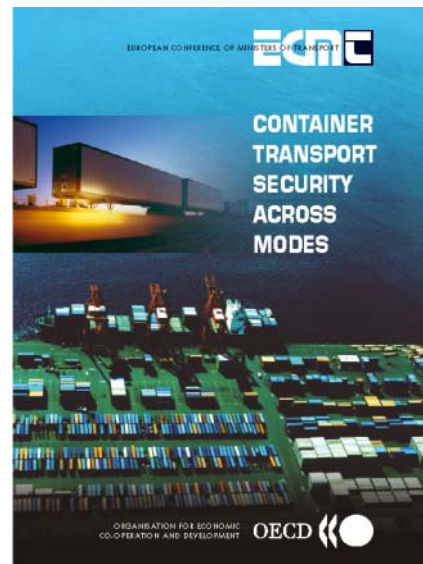
This ECMT Round Table features four papers: The European Market for Airline Transportation and Multimodalism, The Role of Airports in the Transport Chain, Airport Systems and Connectivity, and Airports as Multimodal Interchange Nodes - The Example of London Heathrow. These papers discuss how the requirements of ensuring efficient land transport connectivity depend on the market structure of the airline industry and its impact on the airport network.

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(75 2005 031 P) ISBN 92-821-0339-0, February 2005, 176 pages.

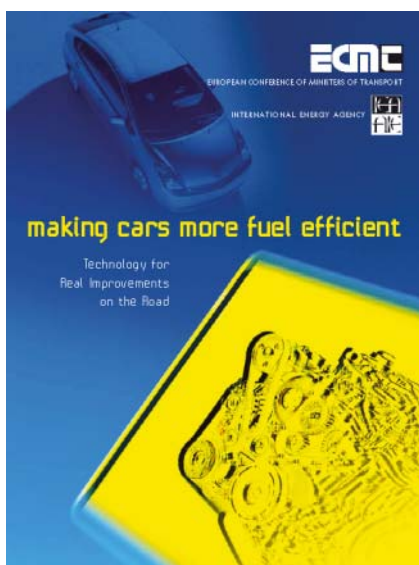
### *Container Transport Security Across Modes*

After the terrorist attacks of 11 September 2001, it became apparent that maritime shipping containers themselves and their links with other modes represent potential security vulnerabilities. This report describes the complex, hybrid container transport system and the variety of actors involved. It then identifies potential areas of security weakness and provides recommendations for inland transport and maritime authorities to improve container security.



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(75 2005 011 P) ISBN 92-821-0331-5, April 2005, 125 pages.



## ***Making Cars More Fuel Efficient: Technology for Real Improvements on the Road***

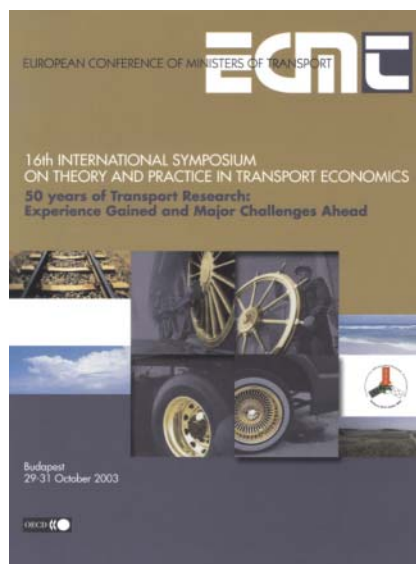
Studies show that cars use significantly more fuel per kilometre than suggested by official test ratings. This publication presents an analysis of the fuel efficiency gap and examines technologies available that could reduce that gap and improve fuel economy. It examines such areas as engine and transmission technologies, hybrid technologies, tyre inflation and technology, lubricants, and fuel-saving driver support devices. Together, these technologies could improve average on-road fuel economy by 10% or more at low or modest cost. Policies that could be used to encourage uptake of these technologies are also identified.

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(75 2005 061 P) ISBN 92-821-0343-9, May 2005, 82 pages.

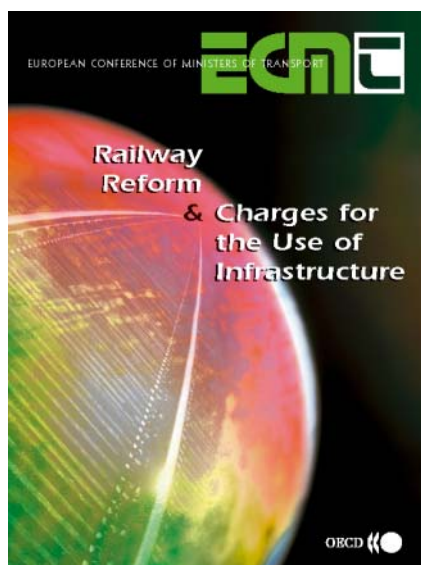
## ***16th International Symposium on Theory and Practice in Transport Economics: 50 Years of Transport Research - Experience Gained and Major Challenges ahead***

These proceedings of the 16th International Symposium on Theory and Practice in Transport Economics sketch a broad overview of transport economics research since the inception of the ECMT in 1953 and map out the directions for future work. The 22 papers presented cover such topics as transport infrastructure's contribution to economic growth, modal split, competition in the transport sector, the need for a supra-national regulatory authority, charging systems, and environmental sustainability.



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(75 2005 051 P) ISBN 92-821-2333-2, September 2005, 556 pages.



## ***Railway Reform and Charges for the Use of Infrastructure***

Over the last few years, much progress has been made in developing rail charges to ensure non-discriminatory access to, and efficient use of national rail networks. But in Europe the international dimension is still missing, particularly in terms of the freight market. Integration of European markets should provide great opportunities for rail freight transport to grow.

This report shows how barriers to this growth - arising from differences in the way trains pay to use national networks - can be overcome. It recommends moving to a set of simple charges for freight that create similar incentives for the management and planning of train operations across national borders.

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(75 2005 081 P) ISBN 92-821-0351-X, November 2005, 130 pages.

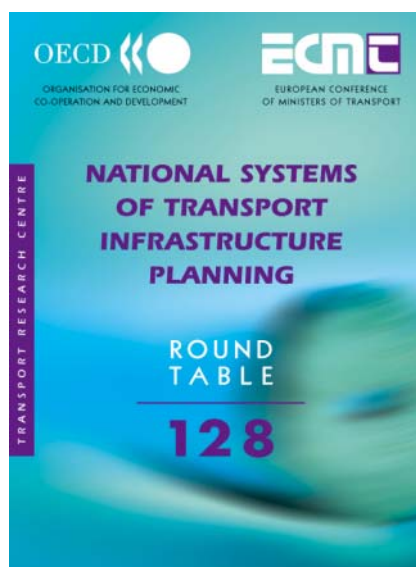
### ***Round Table 128***

## ***National Systems of Transport Infrastructure Planning***

This European Conference of Ministers of Transport Round Table discusses changes in national systems of transport infrastructure planning and the lessons for the further improvement of planning processes. It covers the following issues:

- The rationale of transport infrastructure planning and related reform needs.
- The decentralisation of planning institutions.
- Reforms of planning and evaluation methods.
- Reforms of infrastructure financing and pricing.

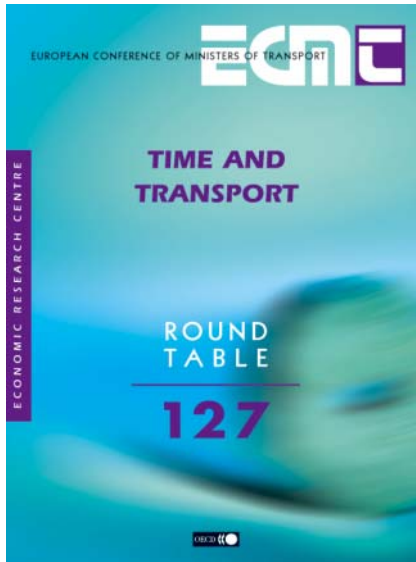
This report contains background papers describing the national experiences of France, Germany, Italy, the Netherlands, Spain and the United Kingdom.



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(75 2005 101 P) ISBN 92-821-2341-3, October 2005, 176 pages.





## Round Table 127

### Time and Transport

This Round Table revisits the extended literature on the valuation of passenger time and discusses the under-researched topic of the value of time in freight transport. It assesses the increased value of time in international freight transport, given the trend towards globalisation.

In particular, urban planners are concerned that an overvaluation of passenger time could give rise to excessive urban infrastructure investment which would induce low-density development of cities and urban sprawl. Transport policy measures that increase the speed and reliability of freight transport not only reduce its

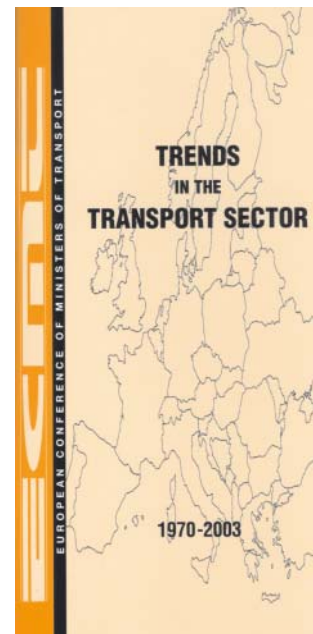
direct costs but have strong effects on inventory policies, logistics and even the location of firms. As recent empirical studies show, variations in time requirements for international transport, and increasingly short product and fashion cycles, have an influence on the pattern of foreign direct investment and international trade flows. Rational transport policy decision making has to take account of these indirect effects.

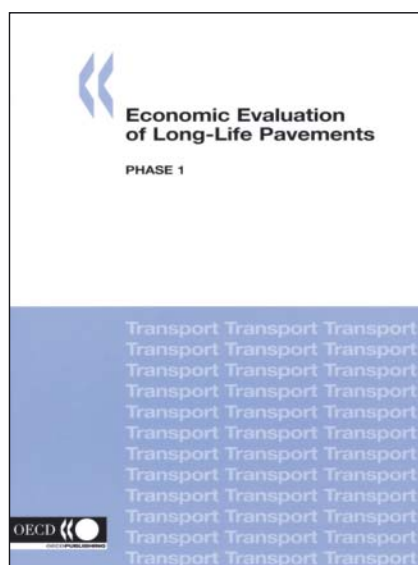
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(75 2006 011 P) ISBN 92-821-2330-8, December 2005, 130 pages.

### ***Trends in the Transport Sector: 1970-2003***

This pocket-sized booklet describes developments in the transport sector in Europe including the CEECs, the Baltic States, and the CIS in 2003 and shows, through graphs, how the situation has evolved since 1970. The four parts of the book cover the economic environment, freight transport, passenger transport, and road safety. A statistical annex provides data on transport volume for freight by rail, inland waterways, road, and pipeline and for passengers by rail, bus/coach, and road. The data on road accidents provides figures on number of accidents, number of casualties, and number of deaths.





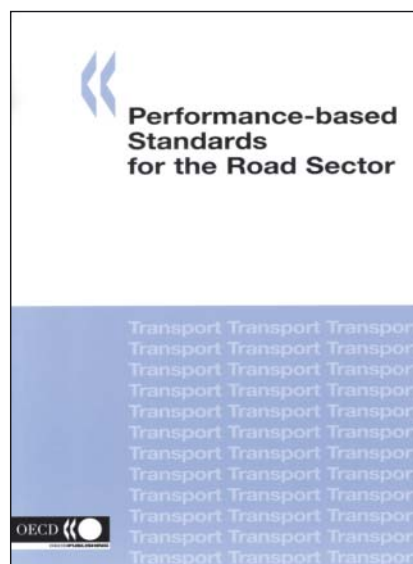
### *Economic Evaluation of Long-life Pavements: Phase 1*

With maintenance costs accounting for a large proportion of road budgets, this report assesses the economic and technical feasibility of innovative wearing courses for long life road pavements. While having higher initial costs, such wearing courses have the potential to dramatically reduce recurrent road maintenance requirements and user costs and could also reduce overall costs significantly, under circumstances outlined in the report.

(77 2005 011 P) ISBN 92-64-00856-X, March 2005, 120 pages.

### *Performance-based Standards for the Road Sector*

This report examines existing regulatory approaches and then explores how performance standards might be used to improve regulatory outcomes. Under a performance-based approach to regulation, standards would specify the performance required from vehicle operations rather than mandating how this level of performance is to be achieved. More flexible performance-based regulations provide for increased innovation and more rapid adoption of new technologies. The report explores the regulatory reform processes in some countries that have led to more direct, outcome-oriented approaches to regulating road transport vehicles.



(75 2005 091 P) ISBN 92-821-2337-5, November 2005, 104 pages.

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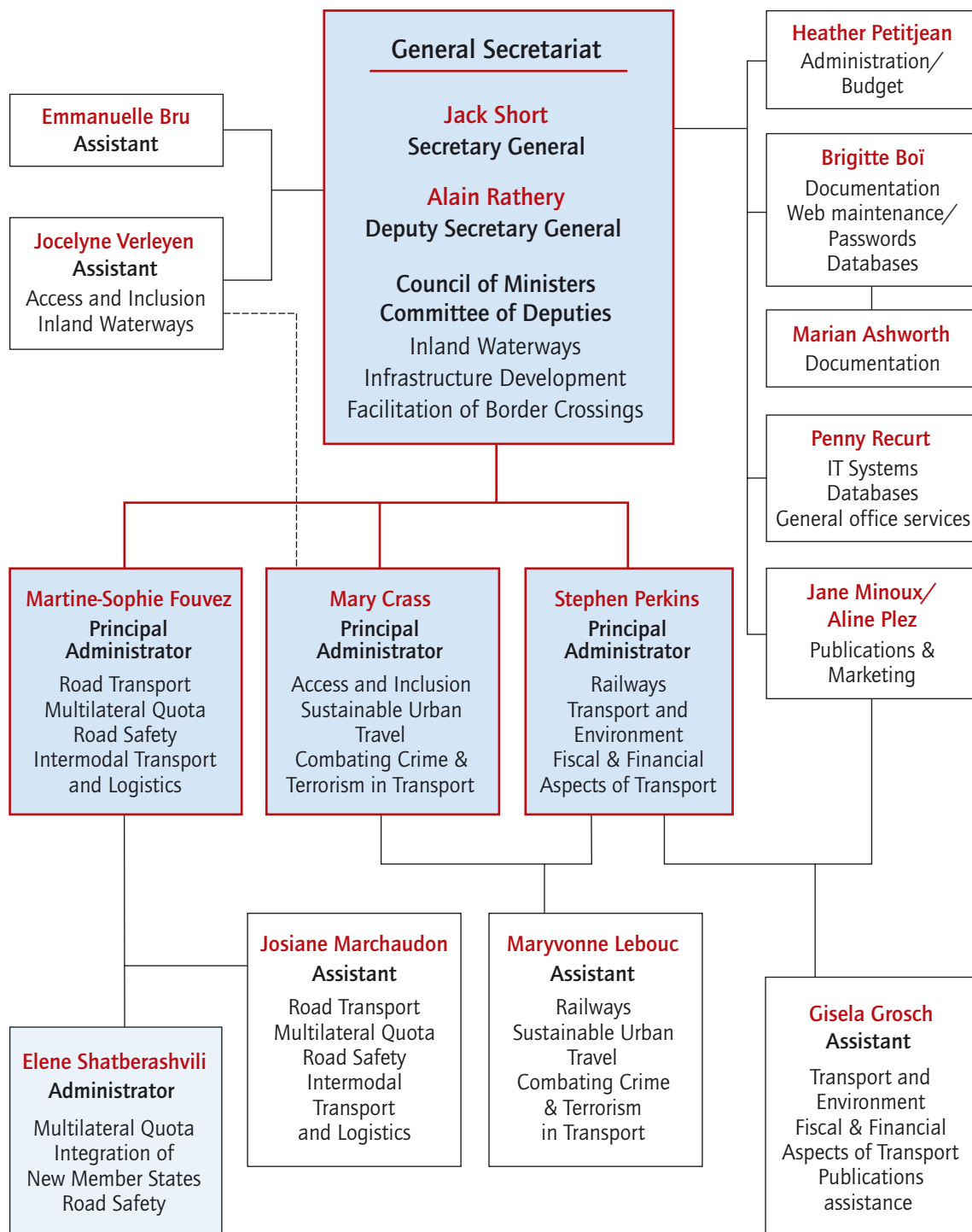
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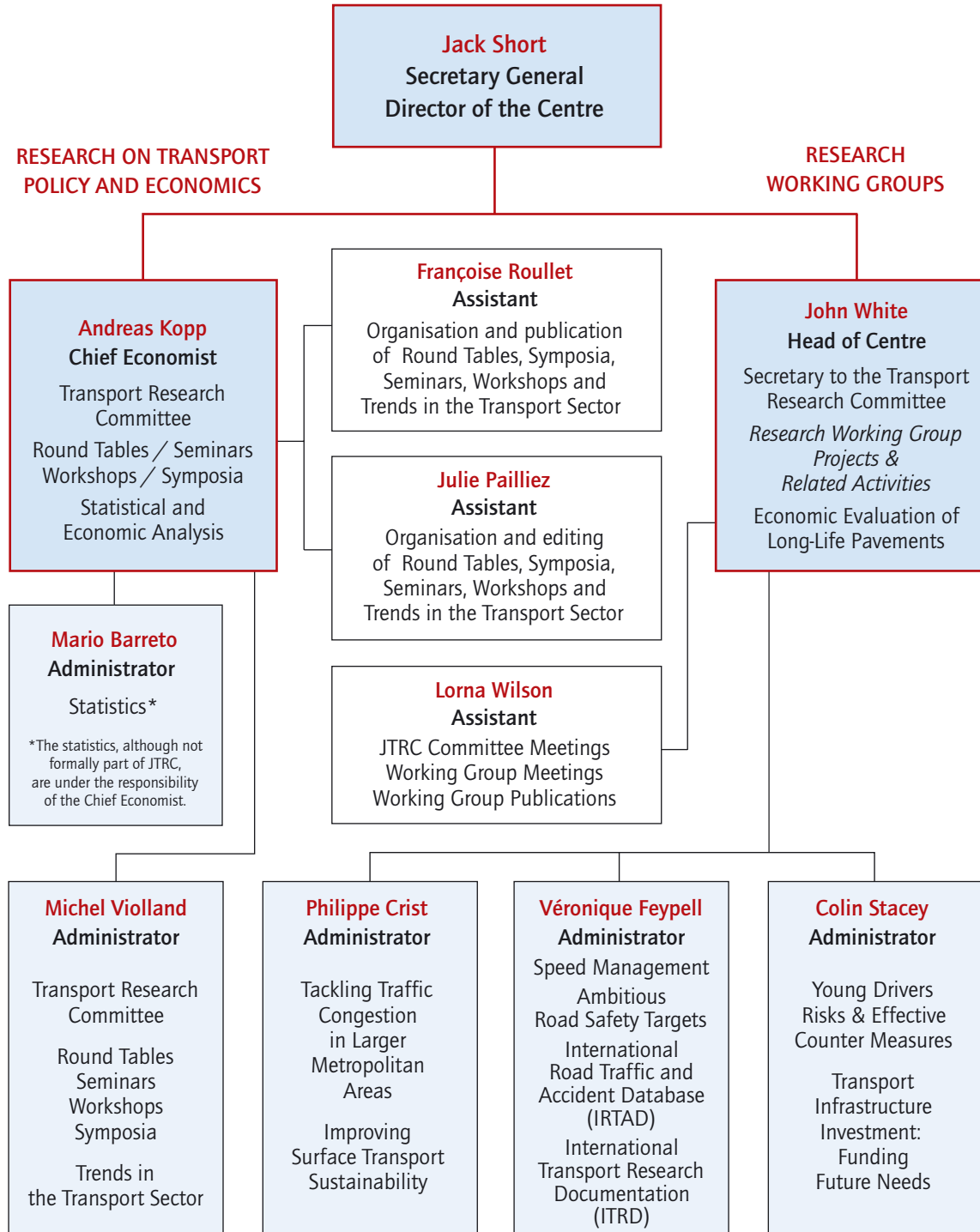
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