



The Greens | European Free Alliance
in the European Parliament

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Speech at the conference

Mehr Kunden durch mehr Beteiligung? Strategien und Konzepte für den Dialog zwischen Fahrgästen und Anbietern im öffentlichen Verkehr

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[the spoken word counts]

Ladies and gentlemen,

It is a pleasure to be here in Berlin again. Thank you very much for inviting me to your conference and for giving me the opportunity to talk about "**The importance of customer-oriented public transport in Europe**".

One year after EU enlargement and more than 15 years after the fall of the Iron Curtain, **rail connections to Eastern Europe** are still in a bad state. In the White Paper on European Transport Policy, the EU is committed to moving traffic off the roads and onto rail, but this good intention played no role in the preparations for accession. Even though the accession talks were under way for a decade, the European Commission did not identify this shortcoming until early 2003, when it set up a High-Level Group, chaired by former Transport Commissioner Karel van Miert, to review the priorities of the trans-European transport network.

This was an essential move, for in the field of transport policy the Iron Curtain is still with us. It takes 60 hours to travel by train from **Berlin** to the Estonian capital **Tallinn**, the distance being 1700 km. That works out at less than 30 km an hour. You might know that we Greens are strongly in favour of a speed limit of 30 km an hour - but that's for inner-city traffic, not long-distance railway. You have to change trains nine times, the train stops at 60 different stations, and the Estonian-Latvian border has to be crossed on foot. In comparison, the same journey by steam train in 1935 took just 27 hours. In other words, you would have reached your destination in less than half the time.

At one time, the journey from Berlin to **Wrocław** took only two and a half hours; now it takes six. I could give you other examples. In view of the

growing volume of traffic, especially freight, between the old and new EU Member States, this situation is untenable. It is such an intolerable situation that Mr Barrot could be said to be the most successful politician in the transport field if he could say at the end of his term 2009: "In the 21st century I finally brought us back to the speed level of the steam engine."

The High-Level Group's report was published at the end of 2003. It is an extremely disappointing document in which egotistical national interests and complete indifference to environmental issues have won the day. Although the report gives 'high priority' to the development of major rail links – such as the Helsinki-Tallinn-Riga-Kaunas-Warsaw line – there are no practical measures to back this up. The governments concerned have not given their approval to the start of construction before 2010, which means that the route is highly unlikely to be completed until 2016 at the earliest.

So can the dramatic increase in the volume of traffic – especially in the wake of EU enlargement – be managed effectively, or will we all suffocate from exhaust fumes in gridlocks? This will largely depend on the course adopted in transport policy. Furthermore, under the Kyoto Protocol, the EU is committed to cutting its CO₂ emissions by 8% by 2010. After industry, emissions from transport are the second largest source of greenhouse gases. The aim of radically reducing the number of road deaths in the EU – 50 000 people die on the EU's roads every year – can only be achieved through a shift from road to rail as well.

Europe needs an extensive and modern rail network to meet this challenge. The **trans-European transport network (TEN-T)** – which in effect is Europe's transport infrastructure plan – clearly prioritises the task of **revitalising Europe's major rail lines** and identifies some of the measures required in this context. However, implementing the **smaller-scale cross-border connections** must also be a priority, e.g. between Germany and its new EU neighbours, Poland and the Czech Republic. Germany's Red-Green Government has designated almost all these connections as high-priority projects in the **Federal Transport Infrastructure Plan**. It would be a welcome step if the other Member States could follow suit – and implement their plans as swiftly as possible.

We need **modern West-East connections** that are capable of transporting **goods** and **passengers** at speed and in comfort, both over long distances and at local level. Germany in particular, as Europe's main transit country, has a vital interest in ensuring that freight flows are handled by the most environmentally compatible method possible, the railways. At present, rail freight – with its average speed of just 13 km an hour – cannot possibly compete with road transport. No wonder it accounts for such a small percentage of the goods transport market. Yet it doesn't have to be this way, as we see from the US, of all places. There, about 50% of goods are carried by rail. The rail links between Western, Central and Eastern Europe will also become more important in the 21st

century because intercontinental rail freight between Asia and Europe offers significant time benefits compared with cargo shipping.

In the interests of a united Europe's cultural integration, personal contacts among the European nations are essential. For this purpose too, we need fast and efficient rail connections that bring the cities of Eastern and Western Europe closer together. If we want to strengthen Europe's internal unity, we must create the parameters for mobility that encourage this process.

But we still have a long way to go to make these plans a reality, and we face one major obstacle: ensuring that adequate **financial resources** are available. At present, the negotiations on the European Union's budget for the period 2007-2013 are blocked at the moment. One of the key issues which must be addressed is the level of funding to be allocated to the **30 TEN-T priority projects**. Even an optimistic forecast makes it clear that the money in the EU's coffers – and, indeed, in the national budgets – will never be enough to finance all the **TEN-T projects**. EUR 140 billion would be needed just for the period 2007 to 2013, and the EU estimates that the total costs of the whole trans-European transport network will add up to EUR 600 billion by 2020, thereof EUR 225 billion for the 30 priority projects. In comparison, only EUR 5 billion were made available from the EU budget line for the period 2000-2006. Even if the EU only funds 20% of the project costs on average, with the rest of the funding coming from the Member States concerned, this would mean that in the current financial position, it would take 170 years for all the projects to be completed!

But it's not only about money. What is basically missing is the fixing of clear priorities. So far the EU has failed in this regard. A good example is Germany after the fall of the wall in 1989. The federal government in 1991 started an infrastructure programme to reunite the country's traffic connections – 'Verkehrsprojekte Deutsche Einheit'. Not all of the 17 projects encompassed in this plan were completely reasonable – but the general idea was right: to reconnect as soon as possible the networks and links that got disconnected by years of separation. This should be a good example for the EU: priority must be given to the projects which ensure the reunification of the continent.

The Greens therefore want to set **clear priorities**, in favour of rail connections between the old and new EU Member States, for **rail projects which contribute to the unification of Europe**.

From our perspective, the **TEN-T priority projects** are as follows:

- **the Berlin-Warsaw-Vilnius-Riga-Tallinn rail connection** (TEN-T priority project no 27): The modernisation of the Frankfurt/Oder-Berlin section of this route is scheduled for completion next year; work on the Frankfurt/Oder-Warsaw section is already complete. There is an urgent need to begin the modernisation of the further

sections into the Baltic States and the bridge across the Oder, which has apparently been 'forgotten'. History would have the last laugh if the rail links on both sides of the Oder were completed but the trains were still trundling across the bridge at 10 km an hour, as is currently the case.

- **Paris-Strasbourg-Stuttgart-Munich-Freilassing/Salzburg-Vienna-Bratislava** (TEN-T project no 17): All the German sections of this route are included in the current Federal Transport Infrastructure Plan. And concerning the project "Stuttgart 21" - that must be financed by the member state itself. This very expensive project is not in the European interest and - as far as I know - it is not part of the German Federal Transport Infrastructure Plan.
- **Athens-Sofia-Budapest-Vienna-Prague-Nuremberg/Dresden** (TEN-T project no 22).

In the **European Parliament**, I have joined forces with the Austrian conservative Paul Rübig, the Polish Social Democrat Bogusław Liberadzki, former Polish Foreign Minister and 'Solidarity' activist Bronisław Geremek from the Liberals, and Dutch socialist Erik Meijer and in April launched a cross-party initiative that calls for absolute priority to be given to the rail infrastructure projects that connect Eastern and Western Europe. In particular, our joint **Written Declaration** calls for the rail connections from Berlin to Warsaw, Vilnius, Riga and Tallinn and the route from Vienna and Venice to Prague, Bratislava, Ljubljana and Budapest to be given priority support. This would link all eight capitals of the new middle- and east-european Member States with the old EU.

At present, the list of **TEN-T projects** includes a number of **dubious prestige projects**, which have equal status with the urgently needed connections but which absorb vast amounts of money and whose transport policy benefit is questionable.

For example, among the 30 TEN-T projects are:

- the costly **Fehmarn Belt bridge** between Germany and Denmark, which is also a gross error of judgement for Europe, especially in light of the poor rail infrastructure in Eastern Europe. In effect, it decouples not only Eastern Germany but also Eastern Europe from the EU's North-South corridor because there is no money to enhance both - i.e. the Western and the Eastern - routes.
- the **bridge over the Strait of Messina**, which will connect Sicily with the Italian mainland. This bridge will be planned, constructed and cofinanced on an equal basis with the other projects even though at present, the trains take between six and ten hours to travel the 340-km connecting route from Messina to Trapani during the day and less than 25% of train lines in Sicily are electrified.

- a four-track **Brenner Base Tunnel** between Austria and Italy, which is only useful if the rail connection between Verona and Naples has been brought up to modern technical standards. The Verona to Bologna route, for example, is a single track. Mussolini – I mean the grandfather, not the granddaughter! – planned to build a second track. This has still not been laid, and with the modest toll revenue from the Eurovignette, there is no prospect of funding the Brenner Base Tunnel for another 300 years!
- an **West-East railway tunnel** through the Alps between Lyon and Torino, which also only makes sense if the other sections between Lyon and Budapest are finished. We must avoid the kind of bad planning decisions that were taken at Col du Somport. There, the tunnel through the Pyrenees is only connected to the motorway network on the Spanish side; on the French side, it feeds into narrow link roads.

Apart from all these negative, expensive and non-efficient examples: I would like to focus on the expansion of rail networks and the relationship between invested money and results. To accelerate a train from 100 to 150 km an hour means a reduction in travel time of 20 minutes per hour, from 200 to 250 km an hour the time won is six minutes per hour, to accelerate from 300 to 350 km an hour makes the train two minutes faster. On the other side costs for the track, energy, adequate trains and measures for security and against noise rise proportional with the speed. That means: there is not only a technical, but also a financial limit for a reasonable high speed system.

This is not only a theoretical or scientific question: Since 2004 the ICE runs the 180 kilometres long distance between Frankfurt and Cologne with a maximum speed of 300 km an hour. The construction of the new track took 6 billions euros.

The already existing track between Hamburg and Berlin - a distance of 287 kilometres - was renewed for a maximum speed of "only" 230 km an hour. Costs were about 2, 5 billion euros - and they could have been even less if politics had right away opted for the rail and against the finally failed Transrapid-technic.

The surprising fact is that the higher average speed is reached on the Hamburg-Berlin-route with an average speed of 189 km an hour. Even though the maximum speed on the Frankfurt-Cologne-track is much higher trains are actually slower here - with an average speed of only 156 km an hour. For 50 per cent of the invested money one can get 30 per cent more rail kilometres. This is a good example of efficiency.

Therefore I would rather get 1000 kilometres of railway tracks by modernising existing tracks à la Berlin-Hamburg than 300 kilometres of new track over bridges and through tunnels. Looking at the superproportional growing costs this must be the political answer.

And something else: The plans for the destination Lyon and Budapest foresee the construction of a new track between Milan and Verona. This would disconnect the second largest city of the Lombardy, Brescia, from the long-distance-railway-network. For a few minutes time won 200.000 inhabitants will be left behind. If the European railway companies drive past their clients or hassle them with time-killing transfers, they won't have a future.

We want the European Parliament to adopt a clear vote in favour of planning, expanding and financing the genuinely important and useful connections between the old and new EU Member States. We will work pro-actively to ensure that in Europe the rail projects that contribute to the unification of Eastern and Western Europe take priority. Otherwise, the plans for the TEN-T will merely be a wish list that panders to egoistical national interests.

However, there are other issues to be addressed besides modernising the railway lines. In the EU – with its 15 signalling systems, six voltage systems and three different track gauges – the idiosyncrasies of the national railways linger on. Interoperability, harmonisation and multi-system locomotives should remedy this situation.

Unfortunately the German-French high-speed-train is removed from the agenda. Now both sides are just content with TGV- as well as ICE-trains on the destination Paris-Strasbourg-Munich. Is that the end of the joint project? The European cooperation in the aircraft-industry with the last impressive result, the Airbus 380, should be an example for the railway sector. I personally think of a combination of the pendolino-technic from Italy, the double-deck-train-experience of the French TGV, the comfort of a German ICE with the precision of Swiss watches and network-systems - this all together could be a highly effective and attractive European high-speed-train. The high number of units would make this train cheaper and therefore also more competitive on international markets.

Whilst the Germans don't know whether they should promote the Transrapid or the ICE to other countries, the French TGV will be the only winner.

I welcome the Memorandum of Understanding about the Interoperability of European Railways. It is a first step but it won't be sufficient. So far it is still a time- and money-killing procedure e.g. to get a license for a locomotive in Germany which already has one in another EU member state. I heard that this can take up to 3 to 4 years with costs of 7 to 10 million euros for each vehicle type. To get the license for the ICE (3) in France it took years an 38 million euros for the DB AG. We need therefore a European agency, which hands out licenses valid in every single of the 25 member state. Until then Europe needs less burocratic interim arrangement.

Just this week, on Wednesday, the European Parliament adopted the **Third Railway Package**. The MEPs voted in favour of the European driving licence for train drivers by a large majority, thereby removing the need for a changeover of drivers at the border between Member States.

The Parliament also voted to reinforce passengers' rights. This comprehensive package includes the legal right to compensation in the event of delays on passenger trains in all EU Member States, international ticket issuing, and assistance for passengers with wheelchairs, children's strollers, cycles and bulky items of luggage.

As the third measure, the committee voted to open national and international passenger services to competition from 2012 and 2008 respectively. The networks for freight transport will already be opened to competition in the beginning of 2007 according to the second railway packages. More than 50 per cent of freight transport in Germany is cross-border traffic. This will be pushed from 2007 on.

The Parliament rejected the fourth measure, consisting of proposals to make rail freight operators liable to pay compensation for poor service. Not only the Greens but a majority in the EP took the view that as all networks within the EU are opening up to competition from 2007, we should wait and see how freight develops. Only then should a decision be taken to introduce appropriate arrangements if necessary.

However, if we are to achieve a modal shift and encourage the use of rail, the implementation of the Third Railway Package, including the introduction of competition between railway undertakings, will not be effective on its own. A key prerequisite for fair competition, especially between road and rail, is the introduction of the **Eurovignette**. For a long time, all the proposals were blocked in the Council because the countries could not agree on how the toll revenues should be spent, e.g. whether revenue from road charging should be allocated solely to funding new roads. The railways already pay a train toll on all routes in the form of train path prices. We are calling for a Eurovignette that is not earmarked for road-building and that does not set upper limits. Instead, minimum charges should be applied so that in especially sensitive areas, such as the Alps, there is sufficient scope to achieve an individual steering effect. In Switzerland – where the toll is four times higher than in Germany, and twice as high as in Austria – the introduction of the truck toll on oil transporters, for example, reversed the modal split from 70:30 on roads to 70:30 in favour of rail. The charges for inland traffic are higher than for cross-border traffic. Nonetheless, the price increase passed on to the consumer has been minimal: less than half a percent.

However, the decision on the Eurovignette Directive that was adopted by the Transport Council on 21 April sent out the wrong signals. Setting an upper limit for tolls in the Trans-European Transport Network throughout the EU is not an appropriate measure for a sustainable transport policy. It is quite unacceptable that Member States can now grant toll rebates of up

to 13% to high-mileage drivers. This is a counterproductive measure that benefits the major transport companies, and industry itself should stop and think about this. The EU toll also ignores the need to internalise the external costs of transport, such as social costs of accidents, environmental damage, etc. The only positive aspect is - besides the fact that the Eurovignette is for all trucks from 3.5 tons on - that a decision has been taken at all and the European Parliament now has a chance to make its voice heard for the second time.

Though the market share of railways in the EU in passenger traffic went down from 10 per cent in 1970 to 6 per cent in 2002 and from 30 percent to 13 in freight traffic, a turn in favour of freight rail traffic is visible.

Due to the increasingly affecting railway policy of the European Union and enormous exertion of some national governments and railway companies we see a renaissance of railways in some parts of Europe:

- There have never been more people using railways for travelling in Germany.
- The freight rail traffic has won market share three times in a row.
- Italy, Austria and France are investing more money into the rail network than in the road infrastructure.
- And: the transport service provided of rail freight traffic rose about 3, 5 per cent in the last year.

In Germany this positive development is strengthened by the highway toll for trucks. Costs for freight traffic on the road increased about 30 per cent this year due to the maut fees and the risen oil price. Rail freight traffic will also profit by the Eurovignette even though the European Parliament still has to improve the document.

Transport economists already agree that the most economical method of pricing in the transport sector is achieved through the **internalisation of external costs**. The price paid by transport users should reflect the value of transport that they 'consume' and all the other costs that they, as transport users, generate. Regrettably, most political decision-makers remain unconvinced by the economists' view that a fair and efficient pricing system must be developed. Most discussions have therefore tended to focus on how actual and precise external costs can be determined, rather than on overhauling the financial structure as a whole.

In a study published in November 2004, two independent research institutes, INFRAS and IWW, calculate that the **external costs of transport** in a group of European countries (the former EU-15 plus Switzerland and Norway) amount to around EUR 650 billion, year on year! This is equivalent to 7.3% of these countries' total GDP (as at 2000), and the figure is rising.

This study of external costs reveals one other interesting fact: the responsibility for these massive costs varies considerably between the different modes of transport. Road transport generates the highest proportion of total external costs, accounting for 84%, followed by air transport with 14%. Rail transport is responsible for just 2%, while the figure for waterways is negligible (0.4%).

In **passenger transport**, the external costs of road transport are **three times** higher than those of rail with the same capacity.

For the **freight transport sector**, the external costs of road transport are almost **five times** higher than those of rail with the same capacity.

Let us look at **aviation**: here too, we see that the framework conditions applying to the various modes of transport are unfair. There is the **added value tax** on rail tickets while there is none on flight tickets. The railways pay taxes on energy and diesel, but the aviation industry is exempt from fuel taxes, even though air travel has a massive and adverse impact on climate. In the interests of climate protection, one aim must therefore be to reduce aviation. Last year in September the European Parliament – taking up an initiative launched by the Greens/EFA group – achieved a small but significant victory when it managed to put the issue of an aviation fuel tax back on the international agenda. The 35th session of the Assembly of the International Civil Aviation Organization (ICAO), which took place at the beginning of October 2004 in Montreal, opened the way for groups of states, such as the EU, to introduce a common tax on kerosene. The US failed in its bid to impose a global ban on this type of tax and exclude aviation fuel from emissions trading.

Thereupon the commission proposed they would correct the unfair framework conditions between rail and air-traffic. But so far nothing has happened - apart from the negative approach of the EU commission towards a volunteer fee on tickets. It won't be a big progress just to include air traffic into emission trading. Unfair competitive condition won't be abolished as the effect on a single ticket would be too small.

In the debate over funding for development aid, one option being discussed by EU finance ministers is the introduction of a **kerosene tax** and levies on airline tickets. According to industry circles, the European Commission is considering a levy of EUR 10 on one-way flights within the EU and is even looking at the option of a EUR 30 surcharge on flights to destinations outside the EU. A kerosene tax of EUR 350 per 1000 litres of aviation fuel is also under discussion, but only for flights within the EU. The introduction of a kerosene tax as a source of funding for extra development aid is supported by large countries such as Germany, France and Great Britain but remains controversial within the EU. Greece rejects it. We therefore cannot expect any quick decisions from the EU as tax policy decisions must be adopted unanimously by all 25 EU Member States (Ecofin). However, as countries can legally pursue a 'go-it-alone'

approach, a coalition of the major countries is possible – as well as desirable – as an initial step.

It is a positive decision of the Deutsche Bahn to fight against this expensive disadvantage by way of legal action. I support this initiative as do the Greens of course. If politics fail, courts have to rule. Therefore I call for taxes on kerosene as well as a VAT on flight tickets for international destinations. As soon as possible we have to overcome the unfair conditions.

The airlines of course moan about new costs and try to give the impression that they consequently would go bankrupt. I can't take this serious as long as a flight ticket to Brussels is cheaper than the taxi from the parliament to the train station. The airlines should be ashamed of having taken all these advantages for granted over years.

Decades of poor transport policy decisions have created a paradoxical situation in Europe: the more costs are generated by a mode of transport, the greater its subsidisation by the public. A truthful depiction of the real costs for users does not exist. After 10 years of debate over the perfect method to determine perfect costs, it is time to unveil a target-oriented pricing system and abandon the distorted pricing policy that is currently in place.

By accurately depicting the costs associated with all modes of transport, by setting the right priorities in planning and financing, and with a realistic view of what is important and what is possible, my vision can become reality.

So what is this vision? It is a vision of a rail network extending from Lisbon to Tallinn, from London to Athens, and from Paris to Warsaw, for freight and passengers alike, for long-distance and local travel, and for small-scale cross-border traffic, which promotes links between people and helps dismantle prejudices.

After the fall of the Berlin Wall and the Iron Curtain, after Europe's reunification through the accession of the Central and Eastern European countries to the EU on 1 May 2004, what belongs together must – and will – grow together, and that applies in Europe too.