



TRANSPORT POLICY IN THE EUROPEAN UNION

David Ramiro Troitino

Tallinn University of Technology, Tallinn, Estonia

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Abstract

Transportation is an important challenge in the territory of the European Union as the organization keeps growing constantly from the original 6 members, concentrated in Western Europe, to a wider organization including East Europe, and soon all the Balkan Region. The big differences in terms of infrastructure among the member states of the EU are a consequence of their different level of development and different recent history as the ex-communist area presents higher deficiencies in terms of transportation. Nevertheless all the members of the European Union need to be connected to each other in order to benefit as much as possible from one of the main pillars of the organization, the Common European Market. If there are no transport connections, there is not integrated market. The development of the transport policy is also influenced by the protection of the environment and the pollution caused by the transport system in terms of emissions and the environmental cost of the infrastructures needed. Hence, the European Institutions have to work in a difficult position taking into consideration all the necessities and possibilities of the member states, promoting those actions to increase the development of connections in the European level, from a wider perspective than the traditional national plans. The success of the European Union in this important field will determine the speed of integration in other areas and the necessity of increasing the links between the member states of the European Union to assure that its benefits reach the whole communitarian territory.

Keywords: *European Transportation, European web road, European train sector, environment and transport, European integration, European territory, European Union, European Common Market.*

1 INTRODUCTION

The transport policy of the European Union has been developed in order to achieve the programmatic targets included in the European treaties. Since the creation of the Common Market in the 50s and the Interior Market by the Single European Act adopted in 1986, free market and

free movement of people and goods became a priority for the Union. Obviously, if the transport among the member states face obstacles, the consecution of a free movement can be just partial. (Damro, 2012)

The Treaty of Rome considered that the six members had such different legislation in this field that could affect negatively the consecution of the Common Market. Accordingly, the Treaty included the creation of a common policy in transport based on two fields, land and rivers, keeping out of the

Address of the author:

David Ramiro Troitino

[✉ david.troitino@ttu.ee](mailto:david.troitino@ttu.ee)



Communitarian sphere of influence the transportation by sea and air, which lately have also been developing in the Union from a more cooperative spectrum rather than integration.

The Treaty of Rome targets concerning transport policy were:

1. Common rules for international and Communitarian transportation.
2. Conditions of admission for non-residents
3. Increased security in transports.

The Treaty of Rome, the founding treaty of the European Economic Community, the antecessor of the current European Union, was very ambitious and included several policies to be developed a posteriori, as the Common Agricultural Policy, depending for this further development on the intentions of the member states. Some policies, as the already mentioned CAP were highly important for some member states and their politicians would lead to the full development of the policies. Well known are the efforts of de Gaulle, president of France regarding the CAP. Nevertheless the transport policy at that time lacked the political impetus required for its development, and hence the integration in the field was minimal. The enlargements to the United Kingdom, Ireland, Denmark, and Greece did not change the policy from its stand by position, keeping the transport policy in a limbo. (Ramiro, 2013)

It was in 1985, when the High Court of Justice of the EU issued a court ruling against the non-implementation of the transport policy and encouraged the member states to develop this policy. The Single European Act, a new treaty signed by the members of the European Communities in 1986 meant an important support for the European transport policy as it included a very ambitious plan to achieve a Single Market in the European territory. (Delors, 2013) The previous treaty of Rome included already the creation of a common market, but in reality there were still too many national obstacles to trade and hence the markets were still mainly national with some European connections. Some fields were more integrated than others, as the industrial production or the agricultural sector, but still there was not a real common European market. The SEA pushed for it, but instead of naming it the same and accepted the previous failure; it was

name Interior Market, a real European market. One of the fields that became a priority obviously was the transportation field in order to increase the interconnectivity of the European economies to complement each other and benefit from the free movement of goods and persons. (Van Rompuy, 2012)

Hence the SEA and the Interior Market meant the real beginning of this policy, as a real common market began to be developed.

2 TRANSPORT SECTOR IN THE EU

The transport sector in the European Union shows that at the beginning of integration process in the 50,s, the six member states had 35 vehicles per 1,000 inhabitants, a number that nowadays has increased enormously to more than 400 vehicles per 1,000 inhabitants. The motorization rate, cars per inhabitant, also has grown tremendously, even when the last enlargements of the European Union to Central and East Europe have downgraded the average. The car industry is an important economic sector for the whole European economy, with numerous car brands, selling points, spare companies and an important source of work for the European citizens. The important increased in terms of vehicles per inhabitant in the European Union has meant a growing necessity in terms of transport infrastructures and coordination among the member states of the common area. (Mock, 2014)

The transport industry is also an important economic sector because it represents 10% of the GDP of the Union. The economic importance of the sector is also reflected in the population working directly or indirectly in the sector all over Europe, more than 10 million people.

The sector is also important in terms of energy and environment because it consumes 30% of the energy of Europe and 71% of the oil. It means that its contribution to the environmental problems of European society are important, and also the energy consumed by the sector makes it unsustainable in the long term, as the reserves of oil will start decreasing as the demand for this product will continuously grow. (Eftestøl-Wilhelmsson, 2014)

The transport sector is also important as a receiver of funds from the states, as it represents almost

40% of the investments of the states, an important amount of money mainly dedicated to infrastructures. The expectations for the future are that in 2050 goods transportation will increase by 80% and passenger transportation, by more than 50%. Economic growth needs trade, and commerce needs transport, so it is vital for the Union to improve the transport network system in order to increase the competitiveness of the economic agents of Europe. The poorly connected parts of Europe will not prosper as much as the highly connected ones because they will be practically out of the main routes of trade. The sector had important development in infrastructure in roads and air connections during the '90s, but during the same period of time as key a transport as the train suffered a setback transporting fewer goods than previously. It meant lower investment in this transportation, losing ground compared with road transportation. (Vernygora, 2008)

The transport sector in the '90s experienced an important push from the European Commission, as this European institution was working to fulfill the interior market, and understood the transport sector as a key economic link with the European market. The Commission made different proposals for increasing integration in this important economic sector in order to achieve the interior market:

1. The right of any carrier based in the territory of the Union to transport goods to another member state by road (1993). It meant an important increase in transportation by road between member states, speeding trade in the area of the interior market.
2. The Commission presented a plan interconnecting the national infrastructures (1992). The main reason was the low connectivity of the national systems of transportation because they were thought out and planned from a national perspective. As a common market needs good communication, it is fundamental to improve the links between member states in order to make the free movement of goods easier. After this plan, the European Union still invests huge amounts of money in European projects uniting the different states of the Union. The member states prepare different proposals in this sense, then the Commission

analyses their impact in the interior market and approves those projects with higher impact in terms of integration. The funding of these projects comes from the European budget plus a share from the states involved in the project. (Bollinger, 2014)

3. The Commission worked to develop the railway system, mainly supporting projects leading to free access to the railway net (1996).
4. Sea transportation also was under the surveillance of the Commission, where they established minimal conditions of security, the principle of no discrimination, and minimum standards related with professional and social conditions (1993).

The targets for 2010 were focused on rebalancing the different means of transportation, eliminating bottlenecks in the network, and making a transport policy for the service of the users. Europe had different problems from the predominance of road transportation, as it meant 44% of total goods transportation and 79% of people transportation, when railway just meant 8% and 6%. (EC, 2012)The system was under stress because the congestion created by the fact that 10% of the road system and 20% of the railway net were bottlenecks. The airports were saturated. It was a big danger for the competitiveness of the European economy. Also there were environmental concerns as road transportation generated around 84% of the CO₂ in the transport system in Europe. If it follows this tendency, it will generate more than 50% of all the emissions of Europe by 2020, (Popa, 2014) with consequent harm to the environment. The European Union has worked on these main points, and decreased their negative effects in most of the fields commented on, but still for the next period of time, the targets of the Commission are similar because the problems were not completely solved, so more work in this direction is needed on the European level.

The increase in transport demand is growing, and it is a consequence of the growing number of particular cars; as the incomes of European citizens grow, their necessities change, and the sales of cars increase. The development of economic integration in the Union is also of significance because of the interior market, and

the creation of a European market. It means bigger necessity for transportation between member states. Compared with the USA, where more than 40% of goods transportation is done by railway, or Japan where 30% of people transportation is done by railway, the European Union presents much lower percentages, creating a problem of balance between the different means of transportation. (Tavasszy, 2012)

Rebalancing the means of transportation has become a priority in the Union, promoting free competition between different ways of transportation. The Commission pointed out that the road sector is very much divided among many companies, so the competition is huge, and hence the profits are low, meaning that many companies do not respect security rules to make their services cheaper and their companies more competitive. The Commission reinforced security with more frequent controls and increased monetary amount of fines. It will eliminate the less competitive companies of the sector and will increase transportation by other means, especially rail. The Commission also works supporting the connection between member states and ending the technical differences between member states, unifying them, easing inter-Communitarian connection. (Juul, 2012)

The European Union supports other means of transportation as an effective alternative to road transportation with different programs including the support of river transportation for short distances, creating the so called sea highways. The Marco Polo program provides economic aid to companies changing from road transportation to other means more respectful of the environment.

Air transportation is facing problems in the creation of the single sky in Europe. The sector is 5 times bigger than in 1970 and probably will be twice as big as now in 2020. The Commission wants some kind of coordination in the military field (exclusion areas of flights because of military security concerns), the rights of passengers, and the organization of the sector on a European level. For example, in 2001, the High Court of Justice ruled against agreements between some European states and the USA in the field of passenger transportation and security matters because it broke the unity of the European market, and hence it should have been an agreement

between the European Union and the USA. Nevertheless, air transportation is leading to some common minimum rules. The good implementation of them could lead to deeper integration in this important means of transport in the middle term. (Atasoy, 2013)

European infrastructure and its financing under a program started by the European Commission in 1990 fostered interconnection between member states. There are two main sources financing these projects: European money that comes from financial resources of the Union for the field of transportation, cohesion funds in the case of the states that have access to them, in some cases also money from the European Development Fund, and also loans on good conditions from the European Investment Bank. The second source of money is the national funds that represent the higher percentage of the investment. There were 16 projects working, and just 2 are currently finished, and they were thought to be ready in 2010, but probably will be working in 2025. The need of financial capital is important in these huge projects, and the current crisis does not help as the states have problems in the national accounts. (Pellegrini, 2013)

The new plan of the Commission for the period of 2014-2020 will count on financial funds of 250,000 million euros, and it plans that the projects will be finished in 2030. Its main targets are 83 large European ports connected by rail and road, 37 airports connected by rail with key major cities, 15,000 km of railway lines adapted to high speed and 35 major cross-border projects to reduce bottlenecks. (Alden, 2012) The mechanism 'Connecting Europe' will provide 31,700 million for transport infrastructure for the next funding period 2012-2020; 80% of that money will support the following:

- Main projects priority over the ten runners who compose it. It also will fund a limited number of other projects of high value-added sections on the main network.
- Financing horizontal projects, such as the single air space, or the System Rail Traffic Management in Europe to be used in major transportation corridors.
- The remaining funding can be used for ad hoc projects, including global network projects.

Security is another main concern in European transport policy because of its impact in terms of lives and financial costs. The European Commission can just advise the member states in this field, but integration is needed in order to have common rules to have a more effective policy as transportation is becoming an important part of the European market. (Reggiani, 2013) Security has improved in the fields of air and sea transportation with the creation of a black list of companies that do not follow the minimum standards in security matters; road transportation accounts for most of the deaths, around 50,000 deaths a year, and a loss of 160,000 million, but still the cooperation here is minimal. (Kerikmäe, 2012)

Urban transportation, according to the subsidiarity principle, depends on local institutions, as City Hall, but there is also some European legislation in this field because 80% of the European population lives in cities. Also, the European transport networks are strongly connected with the cities, creating bottlenecks in the system. There are also important environmental concerns because 40% of the CO₂ of transport emissions are generated in urban areas, plus security matters as one third of the mortal accidents happened in the cities. (Farahani, 2013) Here the main objective is increasing collaboration with the local authorities and the inclusion of their policies in the European plans to avoid these major problems.

3 CONCLUSIONS

The future of the transport policy is important for the future of the European Union because a good transport network is a guaranty for the good working of the internal market, and hence for the incomes of European citizens. Also, the transport policy is linked with the safety of citizens, (Mardsen, 2011) as the better infrastructures we

have in Europe, so will the toll of deaths decrease. It is also important in terms of energy, because the European Union imports most of its petrol and gas from other parts of the world, so it creates a dangerous dependency for the Union. In that sense the European Union is promoting the use of alternative energy sources and the more effective use of the existing ones, working closely with the private sector. (Levin, 2012) The EU promotes and partially funds different programs, as for example investigations of car producers for improving the efficiency of motors. New infrastructures are also important for the Union, especially those focused on the interconnection of member states and alternative means of transportation to road transportation. As many states already have good road connectivity between themselves, most of the transport in goods and passengers is done by road. It has negative effects on different matters as energy, environment, and security, caused by the congestion of the European roads, especially in the bottlenecks of the net system, where traffic jams and accidents are common. It means a waste of energy and a waste of lives. So, the European Union is strongly promoting transportation by river and rail to avoid these problems. (May, 2012)

Finally, the actions of the Union include innovation and new technologies in the transportation field as a way to improve the sector and hence the European economy and the conditions of the lives of European citizens. Nevertheless, the economic crisis meant lower income for member states, and less money dedicated to transport policy, especially in terms of infrastructures, as they are very expensive. The states are also very sensitive in this policy in terms of sovereignty, because the control of the national network system is considered a national priority, a fact that blocks deeper integration in so key a sector.

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