

# EU Transport Policy

Transport is important to the full operation of the EU single market and is vital to fulfilling two of the four freedoms set down in the Treaty of Rome (1957) – the free movement of people and provision of services across the Community. This means that transport providers (whether they are involved in the transport of passengers or goods) should be allowed equal access to all national markets within the EU. Yet despite treaty obligations, progress in integrating transport across the European Community was very slow until the late 1980s because member states were unwilling to give up national control over transport. In recent decades however, integrated transport has become one of the most prominent areas where the EU has played a role.

## History

A Common Transport Policy (CTP) was first proposed in the Treaty of Rome (1957). Progress was very slow however, until in 1983 the European Parliament successfully took the Council of Ministers to the European Court of Justice (ECJ) for failing to implement its treaty obligation. Shortly afterwards, transport was included in the Single European Act (1986) which formed the basis of plans to complete the single market. This began a process of rapid change and, during the 1990s, it became much easier for foreign transport providers to work across the member states. The EU also set out guidelines for common standards on pollution, safety, transport pricing and environmental sustainability. A particular focus was on improving the quality of railway links, with substantial funding put into Trans-European Networks (TENs) of rail, roads and waterways. In 2001, the EU published a new White Paper on the future of the CTP and, in 2004, with the enlargement of the EU, improving transport infrastructure in the new member states and linking them up to western Europe became a key goal (although, there has been criticism that the pan-European transport projects are behind schedule).

In 2011, the EU Commission announced a new White Paper, which detailed plans across 25 policy areas. These included: moving away from a reliance on fossil fuels; making more journeys available by rail; ensuring at least 40% of aviation fuel comes from low carbon sources by 2050. The paper also set out plans for a single market in transport.

## How does the EU Transport Policy work?

The EU has a role in three key areas of transport policy. Firstly, it undertook to ensure the liberalisation of **cabotage** – allowing transport operators to operate in other member states. Secondly, it has taken a leading role in developing and funding new infrastructure through the TEN system. This has seen around €400 billion spent on road, rail, airport and waterway improvements, between 1996-2006, and €390bn was spent between 2007-13. Since 1992, the EU has supported a number of major road and rail projects, among the most high profile of them being the Channel Tunnel rail link to St Pancras Station in London. Since enlargement in 2004, the focus

has been on improving infrastructure in eastern Europe. In addition, the tackling of bottlenecks and technical barriers that hamper a well-functioning internal market are priorities of the current EU transport policy. The EU has also taken on an important role in air travel – issuing a single air transport licence and setting technical standards. The EU hopes to move towards a ‘Single European Sky’ by 2012, covering: regulation, safety, environmental impact, and air traffic control. The EU is also developing the Galileo satellite project, designed to emulate the US’ GPS system for vehicle location and navigation. The cost of the project has come under criticism (€5 billion by 2011) but the EU Commission insists it will give the EU a greater level of independence.

## Facts and Figures

- 40% of investment made by member states' governments is in transport.
- Transportation consumes 30% of the energy used within the EU each year.
- The EU predicts that between 2010 and 2020, the amount of transport activity in the EU will increase by 1.6% a year.

## Arguments

### For

- A Common Transport Policy is vital to the proper operation of the single market – especially the free movement of goods and people.
- Easier transport benefits everyone. It is not only good for business, but helps to make travel easier and often cheaper.
- By making recommendations on safety and environmental protection, the EU can play a role in setting continent-wide high standards.

### Against

- Relaxing rules on cabotage poses potential national security questions if a company from any member state is allowed to operate the transport infrastructure (including ports and airports) in your country.
- The open market in transport allows companies from countries with lower labour costs to undercut the transport industry of more developed countries.

## Quotes

*‘Transport undoubtedly has a huge role to play in facilitating [enlargement].’ Philip Bradbourn MEP, 2004*

*‘The transport sector is increasingly international. The ETP needs therefore to project internationally so to ensure further integration with the neighbouring countries and advance Europe’s economic and environmental interests in the global context.’ EU Commission report, 2009*

### Technical Terms

**Cabotage:** the restriction of transport service provision in a given country to operators from that country.

### Links

- [http://ec.europa.eu/transport/index\\_en.html](http://ec.europa.eu/transport/index_en.html)
- <http://www.euractiv.com/en/transport/transport-infrastructure-environment/article-168342>