This document was accepted by the Council of Ministers, meeting in Lisbon on 29-30 May 2001 as a basis for discussion of future traffic flows and policy needs.
Many countries prepare national traffic forecast scenarios as a basis for developing policies to improve management of the transport sector. For these scenarios national officials have to take account of foreseeable developments in other countries. In this regard there are frequently major differences in the assumptions adopted from one country to another. The result is a risk of incoherence with potentially serious consequences for transport policy.

To avoid the danger it would appear useful to define at the international level a scenario that can be used as a point of reference by all countries. The exercise should engender an element of coherence between forecasts, important because developments in European countries are inter-dependent, particularly when it comes to transport.

Report CEMT/CM(2001)4, which identifies an increasingly urgent need for a baseline scenario for transport in Europe reviews existing forecasts for traffic. Key trends that emerge are highlighted in the box below. The report draws on basic research conducted by a number of different national institutes that has gained wider recognition since its adoption as the basis for the European Union’s 2020 projections and in parallel its incorporation in the TINA transport projections and also in reviews of national plans in some countries. It also draws on research conducted for the Fourth Framework Research and Development Programme of the European Union.

Although the idea of a baseline scenario is not new, it is not straightforward either since it requires inserting forecasts and scenarios produced by different fora within an overall framework. The work outlined in the report does not relate directly to traffic forecasts, rather it points to proposing a common basis for a scenario of trends which could command a consensus.

This scenario is based on assumptions about economic growth (approximately 2 1/2% per annum in EU Countries, more in the CEEs); demographic trends (an ageing population, especially in the EU); and cost and price trends for the different modes (a continuing relative cost advantage for road transport) that are set out in the document. It is important to understand that this scenario will result from the continuation of present trends and may not reflect the possible effects of policies, for example, designed to manage traffic and change modal split.

The work so far covers the countries of the EU and the Phare countries. It is suggested that other countries should examine the introduction of such a methodology in their transport planning. It is also suggested that ECMT should continue to monitor progress towards developing a common approach to transport forecasting across the entire membership.

**The Council of Ministers** agreed the value of developing and monitoring such a baseline scenario for Europe as a common basis for analysis of future traffic growth and policy needs.
EUROPEAN TRANSPORT TO 2020
BASELINE SCENARIO: SOME HIGHLIGHTS

A) PASSENGER TRANSPORT
-- Growth in demand for passenger transport in the European Union from 1995 to 2020 is forecast to rise by 18% in terms of the number of trips and 34% in terms of passenger-kilometres, a relatively low rate of increase given that GDP will double.

-- Private car transport in the EU maintains a dominant share of modal split, accounting for almost 90% of the number of trips with little fluctuation. Its share of international transport is lower, primarily due to growth in air transport, which accounts for almost 15% of international trips by the year 2020 compared with 12.5% in 1995.

-- Note should also be taken of significant growth in the use of rail for international trips in the EU with an increase from 8.5% to 10.5% of the market, partly in response to greater use of high-speed trains.

-- Growth in trip numbers is substantially higher in the CEECs (13 countries reviewed in the TINA study), rising by 54% between 1995 and 2020. The number of international trips will double, a rate of growth which is three times that in the EU and which is attributable to the increased scope for international travel arising from the relatively small size of certain CEECs.

-- The lower starting point, combined with growth in income and higher rates of growth in car ownership will have a greater impact in CEECs, which would explain why the number of trips by car in most countries in the region will increase by 100% to 150%.

-- Growth in the number of rail passengers is low in CEECs, rarely exceeding 10% or 20% over the period. It is also worth noting the very strong growth in international air transport, which could easily rise five-fold over the period 1995-2020.

B) FREIGHT TRANSPORT
-- Growth in freight transport has recently exceeded economic growth despite the trend towards a service economy. This better trend should become more pronounced in Central Europe, where mining and intermediate production are still currently major components of the economy. Growth in traffic is due to the increasing distances travelled (the "globalisation" effect) and relatively buoyant economic growth (an average of 2.5% GDP increase per year).

-- Most of the projections on relative prices between modes assume a continuation of present trends of declining road costs compared to other modes. A further shift towards road can be expected in the EU, although it should be relatively smaller than in the past. In Central Europe, by analogy with past trends in the EU, the road sector is expected to out-compete other modes. The outcome is that rail's share of the modal split will continue to decline throughout the period.

-- With regard to international transport, in the EU the modal share is expected to be as follows: road is forecast to maintain a large share, growing from 43% to 45%, inland waterways a relatively stable share of 15%, maritime shipping 24%, with the share of rail stagnating at 7%.

-- In Central Europe, the same trends are apparent and have even been exacerbated in favour of road and to the detriment of rail. National rail traffic is expected to fall by around 25% while road will increase by 70%. Rail should increase its volume of internal trade by around 50% in tonnes, relatively low in comparison with other modes in a highly buoyant market in which road should treble or quadruple its volumes. Difficulties in trade by rail with the EU, which is becoming the main foreign trading partner, and difficulties involved in adjusting rail to the new logistical demands of industry and commerce are considerations that work against rail and characterise the realities of the baseline scenario.