

Paris, Madrid, 18 November 2009

“Links between Research and Transport Policy Need to be Strengthened”

“Links between research and transport policy need to be further strengthened,” said Secretary General, Jack Short, at the conclusion of the International Transport Forum’s 18th International Symposium on *Transport Economics and Policy: The future for interurban passenger transport – bringing citizens closer together*, held in Madrid on 16-18 November 2009.

“There are many challenging ideas coming from the research community on the importance of transport to economic growth – on regulation, on investment and on environment – that need to be considered by policy makers and Governments.”

“Researchers also need to focus their work more on implementation issues,” said Mr Short, “as this is the key challenge for policy makers in bringing new ideas into practice.”

The Symposium addressed fundamental questions concerning the shape of future passenger transport and whether current infrastructure and governance policies are appropriate. Highlights include the following:

1. Big cities are increasingly the motor of economic development. Growth will be stimulated by further agglomeration of economic activity in large cities. Fast and high-quality transport between and inside metropolitan areas facilitates such agglomeration. The contribution of transport to growth is therefore larger than assumed in traditional economic analysis.
2. Deregulation, where it has occurred, has brought economic benefits; there is scope for further liberalisation in many rail, road, coach and air transport markets.
3. Investing in transport is not just a response to growing demand, but can be a force for driving growth if it is well targeted and makes good use of scarce financial resources. For this, improved appraisal is essential, with Cost-Benefit Analysis and Environmental Assessment used strategically to find optimal solutions across a comprehensive range of potential responses to capacity problems.
4. High-speed rail can offer fast and reliable connections between cities but to be beneficial it needs very high traffic volumes, typically 9 million passengers in the first year of operation. Few routes currently offer such volumes. The benefits of released capacity on conventional railways and in airports can be an important part of the overall benefits, but it may be more economic to expand airports rather than rail. Assessments show small climate change benefits from investing in high

speed rail; but they are not a key argument in directing resources to high-speed rail - strong passenger demand growth is what counts. Japan Central Railway is committed to building a 500 km/h Maglev train connecting Tokyo, Nagoya and Osaka. This is the biggest potential market in the world, but even here the project is assessed to show a return only if the Japanese economy grows 2-3% annually over the next half-century.

5. High-speed and reliable transport between cities, by rail, road or air, is only part of the story in realising the potential for growth. Improving accessibility inside cities and efficient systems for getting passengers to their high speed terminals is often the highest priority for investment. Included in this investment are information technologies that have created opportunities to make public transport much easier to use and enabled roads to be more efficiently managed, not least through intelligent tolls.

The conclusions of the Symposium will be used to prepare a meeting of Ministers at the International Transport Forum in Leipzig, Germany from 26-28 May 2010 on the subject of **Transport and Innovation – Unleashing the Potential**.

The Symposium papers are available on the ITF website at www.internationaltransportforum.org.

The International Transport Forum is the leading global platform and meeting place for transport, logistics and mobility. It attracts key figures from government and politics, business and industry, research and civil society, coming together to discuss a transport topic of worldwide strategic importance. The involvement of more than 50 Ministers of Transport offers many direct links to policy-making and business at both national and international levels.

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