

Shaping the Transport of the Future

The International Transport Forum



22 May 2014 in Leipzig, Germany. José Viegas at the ITF Annual Summit. José Viegas, Secretary-General, International Transport Forum speaks at the Plenary: Sustainable Transport for All: Planning for Greener and More Inclusive Transport

If your vision of 21st Century transport is one of flying cars or, perhaps for greener transport, a back-to-the-future revival of the Flintstones's car, powered by birds... the ITF has another solution and it's just around the corner. In a fascinating interview, ITF Secretary-General José Viegas, tells us of the role of transport in building inclusive societies that are also green, and the foresight it will take to ensure that progress in transport technology does not lead to further divisions through the destruction of jobs and livelihoods. Fasten your safety belts – it's quite a ride.

In shaping the future of transport, how is the ITF contributing to the OECD mandate for inclusive growth?

The key to the ITF's approach is reflected in the theme of its 2014 Summit: Transport *for* a changing world, as opposed to *in* a changing world. We identify transport as a protagonist of change, not a catch-up measure. The evidence from the past is clear: From horses to railways to cars, transport has been a direct influence in the development of our societies, and it can decisively shape the future as well. Our role is therefore not reactive, but proactive.

Our starting point is people, not vehicles or infrastructure. For instance, we are all worried about growing inequality in our societies. What we also need to understand is that access to transport is a key element in reducing inequality. We have to consider where people are located and how they need to move from A to B to access schools and jobs, medical care and other services, as well as to see friends and do everything that makes up what we call quality of life. In this context, urban mobility is a core aspect of the ITF's work. Many OECD directorates are also engaged in addressing inequality in the context of the OECD's mandate for inclusive growth. This is a good example of the cross-cutting nature of transport – it touches so many areas, from trade to urban development to climate change and health. There is much scope for more horizontal work here, and we feel we have a lot to contribute. As we cover tariffs, our concern at the ITF is not only that everybody should have physical access to transport, but also that the price of transport should not be prohibitive, carving out further inequalities.

In what specific ways do you engage with ITF member countries on policy issues?

As Secretary-General of the ITF, my actions are driven by a very simple approach: creating value for members. To give you an example, the Ministers of our member countries are highly appreciative of our research work. Increasingly, they need to see results in a shorter timeframe than a traditional Programme-of-Work approach allows,

however. We have now created a mechanism by which the ITF is also able to deliver quick responses to pressing policy questions. So when the Mexican Vice-Minister of Transport called, asking us to provide, as quickly as possible, an independent report on a proposal for the review of Mexico's rail freight regulation which was already under consideration in parliament, we sent our team within five days and delivered our report in ten days. We made a presentation to the Mexican Senate and the outcome was that the original plans were adjusted and a law including our recommendations was approved. The role of the ITF was all over the Mexican media, as well as in *The Economist* and *The Financial Times*.

We are proud to be able to deliver high quality advice, provided in a timely manner, with real impact on policy. As a former university professor, I appreciate the enormous value of long-term research and the gratification it provides. Seeing our work directly translated into action on burning policy issues brings great emotional reward too, though, and I think this will become a major motivation in house. Among the ITF's 54 members are countries like India and China where the transport policy choices made today will make a huge difference to how the entire planet will look tomorrow – just think of urbanisation and climate. So we want to be where the action is.

How does the ITF see the greening of transport?

Forty years after the first oil shock, transport is still 97% dependent on fossil fuels. Transport makes up 62% of world oil consumption today, up from 45% in 1970. Almost a quarter of global Greenhouse Gas emissions are from transport. So we really need to tackle decarbonisation of mobility. Most of the publications on greening transport focus on cleaner engines. Cleaner engines are a good thing, but waiting for them to become available will take too long. We advocate reducing car traffic by learning to use vehicles better. The excess capacity that cars represent today is phenomenal. If we make better use of roads and vehicles, we could reduce traffic and reap countless associated benefits – less congested cities, better air, fewer road deaths, improved access and opportunity, and so on.

What needs to happen to get there?

We should focus on developing smart vehicle sharing. This will require a cultural shift. But we already share space in other transport-related contexts – even in first-class air travel – so why not on the road? We cannot force people to change their habits, but we can offer attractive alternatives. In European cities, taxi drivers spend 40% of their shift with no service, whereas in peak hours there are not enough taxis available. Incentivising shared taxi rides and even private drivers to provide shared mobility, at a cost comparable to public transport, can address this. If such an approach performs well, we could be moving towards a gradual replacement of scheduled bus services by on-demand services in shared vehicles of different sizes, from the traditional taxi to the mini-bus. Of course there are many regulatory issues that need to be resolved – insurance, driver qualification, and so forth. But for passengers, vehicle sharing is a multiple-win situation: a door-to-door service; at an affordable price; without the hassle of driving or searching for a parking place; with no more waiting for buses or taxis. You simply book a tailor-made ride via your mobile phone. And the benefits for society are self-evident – imagine your Paris streets with about half the number of vehicles today. For governments and societies, this could bring very strong reductions in congestion and in GHG emissions in a rather short time.

What else does transport technology hold in store?

The next step will likely be the introduction of road trains. These are convoys of trucks on motorways, where the vehicles are connected by short-range radio link (Wi-Fi or similar) and the whole 'platoon', as it is called, is steered from the lead vehicle. What the road train



means is attaching 6 to 8 trucks, with only one driver, who would drive from one motorway service station to another. When an individual truck has to leave the convoy, the platoon is recomposed at a given service station and another driver takes control of that truck for the final stretch of the journey. The technology for the road train is already here. The linear part of the infrastructure is also already in place, with continuous motorway connections from Lisbon all the way to Helsinki or from Seattle to Miami, the only adjustments needed being to the service stations. And of course, some adjustments will also be needed to the Highway Code as well as to the signals emitted by these "road trains" to other vehicles, namely at the approach to motorway exits.

Will the human being still have a role?

Within one generation we could have vehicles on our roads that do not need a driver. There are already road trials with trucks and cars. So I am very concerned about the foreseeable loss of jobs in the transport sector. Take road freight: Truck driving is a tough job and poorly paid. It is extremely difficult to recruit young people. Competition and hence pressure to reduce costs is fierce. The economic incentives to push ahead with the introduction of road-train technology or even fully autonomous trucks are in place. I suspect that once platooning becomes operable it will spread like wildfire. Yet the skill set of long-distance lorry drivers is not easily transferable. It will be difficult for them to find a job in an office after spending their whole lives out on the road. For the older generation, it may simply be a question of retirement, but we must not underestimate the challenge we face.

My own vision of the future is one with automated public transport. The Paris Metro already has driverless trains today. Automated buses may come within a decade or so. And some see a city where people move about in self-driving AutoLib'-type shared vehicles, where we will no longer need to own a car. Automated public transport will imply the suppression of thousands of driving jobs, only partially replaced with organisational and servicing jobs. The situation will probably be somewhat less drastic in the automobile industry once we move from the concept of vehicle ownership to that of mobility as a service. Fewer cars and urban road vehicles in total will be needed, but each of them will be used much more intensively and fleet renewal will thus be more frequent. The big challenge for car manufacturers will no longer be focussed on that instant of a purchase decision, but rather on stimulating customer loyalty through a differentiated riding experience. At the moment, motorisation is exploding because the new middle class in emerging economies are buying cars the way Europeans and Americans did in the 1980s. But this is unsustainable, and "the morning after the party" for the car industry is already on



Fred Flintstone's car from *The Flintstones* - 3

Photo source <http://cars.ie.msn.com/features/the-greatest-cartoon-cars-ever-1?page=4#image=3>

the horizon. The transformation of the transport sector is only just beginning, and the social tensions that may well flow from this are definitely something we will need to study, not just at the ITF but also in other parts of the OECD.

Is there a positive side for people?

Indeed, not all is grim! New technology and a shift away from cars will also mean fewer accidents for instance, and fewer lives lost on roads. Today, 50% of car crashes involve pedestrians and 98% of accidents involve human error. Driver training equips us with the theoretical skills of being alert, anticipating, deciding on the appropriate action. But we are often less than fully alert, and even when we are, we are still weak when it comes to the skills required to manoeuvre the vehicle safely in an emergency. And increasingly, "guardian angel" technology is becoming available to watch over the driver, warn him of imminent danger and even prevent him from performing dangerous manoeuvres. This will be a permanently available complement to driving skills. We have the technology and it is already on the market, with rapid penetration across the price range, from the most expensive to the most common cars.

How does the ITF's Annual Summit contribute to driving the future of transport forward?

At the Summit, we provide a place of exchange where participants can broaden their perception of the challenges. We believe the right formulation of questions is critical for achieving good answers. We also believe that bringing together different perspectives can have a stronger effect on the minds of people. Overall participation this year was 1100, up 10% compared to 2013, with more high-level representation and many more CEOs. Several Ministers praised the very high quality of the panel discussions. We also provide non-public discussion space for Ministers, with no press and no reports, to facilitate the free exchange of views and ideas with captains of industry and leaders of International Organisations. OECD Secretary-General Angel Gurría came for the first time in 2012 and has returned every year since, always bringing a new OECD report to offer the cameras, of course. When Ministers tell me that our Summit is a place where they can listen and learn, this is very gratifying.

Behind the Summit's success is the terrific organisation by the very small but fantastic Summit Team at the ITF who are the driving force in making the Summit the "Davos of Transport", as several Ministers have publicly called it. The feedback from our countries has been excellent every year, but we do make a conscious effort not to rest on our laurels. Each year, we undertake a thorough evaluation of the event, including feedback from all participants, to see what we can



The exhibition at the Annual Summit.

The 2014 Annual Summit of the International Transport Forum "Transport for a Changing World" in Leipzig, Germany.

do better next year. And we have succeeded in bringing something new to the Summit each year, be it new session formats, additional dialogue opportunities for Ministers or introducing a low-paper approach with minimal print products and focus on digital provision of information.

The one regular “complaint” we get is that so much is going on that it is impossible to attend all the parallel sessions, so we provide video recordings on the Summit Website as well as session summaries which we publish usually within hours.

We are now well into preparations for the 2015 Summit on “Transport, Trade and Tourism” from 27-29 May of next year. We are working with ECO and the OECD’s Tourism Unit to develop the theme and we invite others to join in. The ITF may be small, but we are striving to reach out to everybody with our highly dedicated and closely knit team which I am very proud to lead.

Interview by Jill Ramsey

CZECH MATE: Insider view

Czech Government Secondee Klara Mikulikova takes us behind the scenes at the ITF

What brought you to the ITF?

My first involvement with the OECD goes back to when I was at the Czech Ministry of Environment and engaged with the agenda of the OECD DAC Environmental Policy Committee (EPOC). I was impressed by their efficiency, especially of their working groups, in bringing their work to fruition at each session, where all members presented outcomes of their tasks. I thought to myself, well, this is how it should work in international organisations! For the past two years, I have represented the Czech Republic on the Transport Management Board, the ITF’s governing body. Last year, I was part of the Czech Minister’s delegation to ITF’s Annual Summit and when I learned of the possibility of a secondment to the ITF Secretariat, I did not hesitate for a second to apply.

The ITF is part of the OECD heritage, based on essential economic freedom-liberalisation in transport, which brought significant leverage for Europe after World War II. It was an appealing policy means and attracted other overseas countries to become members of the ITF thereafter. Today the ITF’s 54 member countries are working together to take transport policy back to the people and their needs, rather than implementing policies focused only on transport means. This is also the ongoing task of our Joint Transport Research Center (JTRC), where top researchers and consultants with a strong transport background work on hands-on projects initiated by member countries. JTRC also prepares focused background papers for the Summit and contributes much to shaping the discourse.

What were the highlights of your secondment?

Being part of the ITF Summit Team and seeing things from the other side was a privileged aspect of my secondment. In addition, it is always a personal pleasure to work with people who can bring new ideas and expertise to your life.

The ITF Summit is a high-level meeting of transport ministers, business leaders, researchers, IGOs and NGOs that takes place over three days every year in Leipzig, Germany. At the Ministerial session, Transport Ministers adopt policy recommendations and take strategic decisions for the ITF. For me, it was a great opportunity to help organise the meeting of those who develop transport policies – the ministers and governmental policy-makers, and those who deal with implementation of these policies every day – private companies, public institutions, and individuals. The exchange between these different stakeholders, without breaching borders of influence between the “private” and “public” realm, is what makes the ITF’s



Klara Mikulikova

Head of the International Affairs Unit at the Ministry of Transport, Czech Republic, governmental delegate to the International Transport Forum at the OECD and member of the ITF’s Transport Management Board, Klara Mikulikova is currently seconded to the ITF Secretariat.

Annual Summit unique: Transport Ministers listen to the cutting-edge results of transport research studies; they join panel sessions with academics and representatives of transport companies; and they can be approached on specific issues directly by the private sector. Besides this, they meet with their counterparts in all ITF member countries and have the chance to discuss privately in separate bilateral meetings.

This year we had the highest number of participants ever (more than 1100 delegates) and Ministers adopted highly strategic documents for the future of the ITF. To mention just one, the “New Strategic Funding Framework” was an unequivocal success. In this tumultuous time, from both a political and economic point of view, it is almost impossible to get the main policy-makers to sit around the table and reach an agreement. The ITF member states from all over the world had to vote for this crucial milestone leading to a full financial reform to be adopted. Sounds like an impossible task? Well, the ITF pulled it off!

I have here to point out that this enormous success would not have been possible without the personal engagement of ITF Secretary-General José Viegas, who initiated the new funding scheme and led thorough negotiations with several individual states to introduce and explain the new proposed financial system step by step.



Who organizes ITF's Annual Summit?

For such a big event, we might expect the huge teams we find in secretariats elsewhere. Amazingly, however, organisation of the Summit is carried out by just a handful of people. This requires tremendous dedication and I have been filled with admiration for my colleagues and their willingness to go the extra mile, from before the Summit until the final version of sessions is printed, sometimes working until 1 a.m. ... In fact, there are no more than 7 seven people preparing the core logistics and organisation of the whole Summit every year, assisted by a small group of staff on the spot. This includes preparing the very first outline of sessions, approaching speakers, drawing up the programme, inviting the delegates and their registration, preparing the separate programme for the high-level delegations and taking care of protocol. Accommodation, badges defining access to specific areas, interpreters according to specific language requirements also need to be provided. I have not yet mentioned the drafting of high-level documents for the Ministerial sessions, the organisation of bilateral meetings, side events including cultural and technical tours in the region, setting up rooms and exhibition stands for companies and countries, updating the daily programme to incorporate changes in the speakers or staff on site – not to mention all the ad hoc issues which have to be dealt with as they arise.

As the governmental delegate to the Summit that I previously was, these are things you cannot see, precisely because they are done well, and my experience at the ITF made me realise just how the work

and skills behind the scenes that go into the smooth running of the Summit are indispensable to its success – and sometimes also taken for granted. Now that I have experienced it from the other side, it is clear to me that the reason I felt so carefree as an official delegate was the perfect preparation of the Summit's process.

How useful will your ITF experience be when you return to your government?

As I near the end of my secondment, the benefits I have reaped are many. At my position at the Ministry, I am responsible for the Minister's protocol, preparing documents for his sessions or for his Deputy Minister. I follow bilateral relations in transport with our major neighbours and analyse the Czech Republic's membership in international transport organisations. Being part of the ITF Summit team this year showed me how to prepare a similar agenda – but for an incomparably larger event. And believe me, there is a difference! In addition to lessons learned on what goes into the execution of such an event, my involvement in the preparation of the ITF Annual Summit has also given me invaluable insight into issues of the day from the perspectives of both sides.

The ITF Secretariat proves, day by day, that it is all about qualified and dedicated people, working together to produce high-quality results, and who thrive on that. With these people, and in this environment, I would be very much pleased to work every time.

Interview by Jill Ramsey

OECD Experience: From China for 70 days

My work at the ITF/OECD as a secondee, by Xumei Chen

Dear Editor,

I am a researcher at the China Academy of Transportation Sciences at the China Ministry of Transport, Beijing. I worked at the ITF from late March until the end of May 2014, in fact for just 70 days.

My main responsibilities at the ITF included a review of the current trends, policy framework, and governance to improve urban travel in Chinese cities, and contributing information on China to the 2014 Transport Outlook which is focused on China and India. I also joined in the preparation of the 2014 Annual Summit of ITF as a member of the Secretariat Team. This was my first Summit and will surely be my most memorable one!

I am honoured to have been a member of this warm family which helped me to get a good view of the latest transport research by the OECD, as well as the concerns of transport ministers in ITF member countries, and I was happy to share with my colleagues what's going on in China in order for them to understand China better.

I enjoyed my stay here, with great facilities, a free and multicultural environment, a kind supervisor and nice colleagues, as well as rich information from the OECD library (including your wonderful magazine @mosphere!).

My short time working at the ITF/OECD was so amazing it will surely be the treasure of my life. Wishing you all the best!



Photo courtesy of The International Transport Forum

Building bridges across the miles
Klara Mikulikova (right) and Xumei Chen

Xumei Chen