EDITORIAL

Transport Ministers created the International Transport Forum to offer policy makers and private stakeholders a unique opportunity to work together on global transport issues affecting our economies, environment and ways of life. But the launch of the Forum is also an illustration that transport has become a strategic sector for society which needs more public and political attention.

As a high level think tank for Ministers and civil society, our Forum has the aspiration of filling a missing link in transport discussions today. This bulletin, which takes over from the ECMT Newsletter, will be one way for us to report on progress towards the goals set by the Transport Ministers in Moscow, Dublin and Sofia.

The common thread between our annual Forum themes - global warming in 2008, globalization in 2009, innovation in 2010 - is that they require new ideas, technologies and policies combined with a substantive discussion between actors of the transport system. Supporting this process is the raison d’être of the International Transport Forum.

Jack Short
Secretary General

A GLOBAL RESPONSE TO THE CHALLENGES OF TRANSPORT

2008 Forum to address sustainable energy and global warming

The pressures placed on the transport sector to contribute to economic and social cohesion in a sustainable way are so immense that they require renewed political commitments and industry leadership. At the same time, growth patterns across all modes of transport appear at odds with the political aspirations on climate change.

This was the twin reasoning behind the decision to devote the 2008 International Transport Forum to the dual challenges of sustainable energy supply and global warming, at a time when many governments and international bodies are setting targets for drastic declines in greenhouse gas emissions by 2020. Applying these targets to the transport sector will be the focal point of the high-level discussions taking place in Leipzig on 28-30 May 2008.

Transport Ministers together with research, industry and civil society leaders representing over 50 countries will jointly seek answers on the potential of technology, the role of government-industry partnerships and the public acceptability of policy measures. The active participation of the Ministers will ensure a high institutional echo to the main messages delivered at the Forum.

How significant is the CO₂ problem in the transport sector?

A 31% growth of emissions worldwide between 1990 and 2003 gives a first measure of the challenge. Depending on regions of the world considered, transport has the second or third largest share of CO₂ emissions from combustion, with private and commercial road transport currently accounting for the great majority of these. Moreover, transport is almost entirely dependent on oil and therefore increasingly vulnerable to price shocks.

Forum member countries have made substantial progress in identifying broad policy areas - from stricter regulation to better use of tax incentives - to mitigate transport CO₂ emissions and supply risks, but the actual mix of instruments and degree of implementation vary significantly from country to country.

Faced with the unprecedented challenge of climate change, the transport sector is at a crossroads as it seeks to identify cost-effective policies, best practices and research opportunities. Within this context, the International Transport Forum has the ambition to become the global meeting arena where discussion gives rise to policy.

Substantial growth across all modes is increasing concerns about the sector’s environmental footprint.
TRANSPORT AND ENERGY: THE CHALLENGE OF CLIMATE CHANGE

2008 Forum goals and opportunities

The theme selected for the 2008 Forum is crucial, as transport needs to preserve its role as a facilitator of trade and growth, while at the same time reducing its dependence on oil and limiting its emissions.

With this challenge in mind, the programme of the Forum has been structured to answer three key questions:

1. Transport and oil: an inevitable dependence?

This session will examine the future challenges for securing and improving global access to energy for transport in order to provide as many people as possible with sustainable and affordable mobility. Will energy prices continue to rise, threatening to make future access to energy supply - and as a consequence to mobility - more difficult? Will higher oil prices result in alternative fuels becoming a more appealing prospect?

2. How much can technology achieve?

This session will focus on the potential and market uptake of different technologies to reduce the sector’s dependence on oil and CO₂ emissions in the short and longer runs. Focus will also be on how to bring fuel efficient technologies to markets with special attention given to how public authorities can better support research and innovation.

3. Where can transport policy make a difference?

This session will examine the different policy levers that are available to decision-makers to improve efficiency in the transport sector and reduce CO₂ emissions. These policy tools include regulations, economic instruments such as taxes, tradeable permits and other government interventions.

The Forum itself will open its doors to the broader transport community with an entire first day set aside for discussions between researchers, industry and other stakeholders serving as input to the three policy sessions.

A possibility to showcase solutions

The International Transport Forum will include an exhibition held alongside the sessions at the Congress Centre Leipzig.

Its purpose is to provide a public platform for display of initiatives and technological developments in the main areas of focus for the Forum.

The exhibition is open to corporations, NGOs, public authorities at all levels, industry associations and researchers wishing to showcase their solutions.

Rewarding initiative, research and best practice

The International Transport Forum will be awarding three prizes for innovations, policies and measures or in-depth research and analysis leading to the reduction of transport-related greenhouse gas emissions.

A local or regional public authority, a company and a young researcher will each be awarded a prize for innovative, comprehensive, results-oriented strategies designed to improve the overall sustainability of the transport sector.

Applications will be evaluated by international juries composed of high-level experts on mobility issues and representatives of Forum member countries and will be recognized at an official awards ceremony during the Forum in Leipzig attended by the Ministers of Transport of the Forum member countries.

Applications and a detailed set of rules and procedures for these prizes are available online.
Key messages on Congestion

At the Ministerial Session on Mitigating Congestion held in Sofia on 30-31 May 2007, Transport Ministers from Forum countries looked at the different drivers behind build up of traffic across transport modes. They agreed congestion is a widespread and serious impediment to the movement of people and goods which harms the economy, raises industry costs, increases pollution and CO₂ emissions and wastes huge amounts of time.

Congestion has diverse causes, including short term disruptions, physical bottlenecks and chronic under-investment in infrastructure, but also arises in a context of population and economic growth and location decisions for housing and business. As a result, congestion requires strategic policies and measures that address the underlying drivers. Fortunately, examples of success in cities and at national scale exist, and experience in tackling congestion is growing.

Ministers also heard from the perspective of the private sector, with guest keynote contributions from the construction and container and transport industries before recommending a balanced mix of policy instruments ranging from improved system management to pricing measures.

BIOFUELS: LINKING SUPPORT TO PERFORMANCE

Support for Biofuels has become one of the leading policy responses to both oil import dependency and climate change in a wide range of Member countries. At present, tax subsidies and other forms of government support for Biofuels are evaluated at USD 13-15 billion in OECD countries.

To further understanding of the phenomenon and provide a scientific perspective in a sometimes politically controversial field, a joint Round Table with the OECD was held on 7-8 June 2007.

Discussions at the Round Table reviewed existing research and underlined the wide range of performance of biofuels in terms of life-cycle energy and greenhouse gas emission balances. Not all biofuels are equally effective in substituting for oil or cutting CO₂ emissions, and promoting their production can have serious impacts on agricultural markets, food prices and the environment. In some cases, Biofuels feedstock production can even result in a net increase in greenhouse gas emissions.

Future generations of Biofuels may have lower greenhouse gas emissions and be more cost-effective, but unless support is tied to performance, they risk contributing very little to mitigating climate change. Certification systems under development in Europe and California will be essential if large scale subsidies are to continue.

Oil Dependence

On 15-16 November 2007, a Round Table organised by the Joint Transport Research Centre gathered fifty specialists at the International Energy Agency in Paris to examine the long-term outlook for oil supply and oil prices.

Conceived to bring substantive input to the 2008 Forum, the Round Table investigated the interaction between oil markets and transport policies aiming to reduce the costs of energy insecurity and of climate change.

Introductory reports and the ensuing discussions sought to understand the drivers of short term oil price spikes from underlying long term oil price drivers, lay out the likely impacts on transport demand, and identify desirable policy responses.

Join the debate!

The International Transport Forum has opened a moderated web debate on the potential offered by Biofuels and what policy instruments are needed to develop their use. Log on to the Forum web site to find out more.
“From our Inbox” is a selection of transport developments related to the annual Forum theme reported in the media. Although great care has been taken to ensure the integrity of the information presented, the International Transport Forum makes no claim as to its accuracy.

Climate change “irreversible”
The Intergovernmental Panel on Climate Change (IPCC) has published, a report warning of «abrupt» and «irreversible» consequences of climate change, ranging from the multiplication of heat waves to rise in sea levels. The report fed into the Conference of the Parties on Climate Change in Bali which ran from 3 to 14 December.

World Energy Congress conclusions
Outgoing WEC Chairman André Caillé expressed optimism a third energy revolution could be accomplished if urgent action was taken to “vigorously pursue all energy options”. WEC believes fossil fuels will remain a main fixture of the world’s energy supply for the next generation, but more spending on research and development of new technologies is needed to deliver cleaner and alternative forms of energy and to boost energy efficiency.

Slump in US ethanol production
According to French daily Le Figaro, ethanol suppliers in the Midwest have frozen plans to build new manufacturing plants on account of a 70% surge in the price of corn which is affecting margins at a time when prices have fallen to USD 1.50 a gallon from a peak of 2.20 per gallon.

Acceleration in US emissions
U.S. greenhouse gas emissions could increase in the next 50 years even with technological advances and current energy-saving efforts, warns a new study published by the MIT. The study’s author goes on to recommend energy taxes or a system of caps on energy use and trade in emissions permits.

International Carbon Action Partnership launched
ICAP is made up of countries and regions that have implemented or are actively pursuing the implementation of carbon markets through mandatory cap and trade systems. Ratifying states and regions include Five EU countries, the European Commission, Norway, New Zealand, the British Columbia province of Canada and three US States.

FORTHCOMING ITF/JTRC EVENTS

- 24 January 2008

- 31 January – 1 February 2008
  Round Table on the Cost and effectiveness of Policies to reduce Vehicles Emissions

- 18-19 March 2008
  Meeting of the Joint Transport Research Committee

- 3-4 April 2008
  Meeting of the ITF Transport Management Board

JUST OUT
Available from OECD Bookshop
www.oecd.org/bookshop
sales@oecd.org

- Competitive Tendering of Rail Services (Nov. 2007)

- Round Table 137: Transport, Urban Form and Economic Growth (Dec. 2007)

ITF News is a periodical information service prepared by the International Transport Forum and Joint Transport Research Centre. It is available free of charge by subscription from the ITF and OECD web sites.

Director of Publication: Jack Short
Director of Communications: Michael Zirpel
Editors: Alain Rathery, Brendan Halleman

Enquiries
OECD/ITF, 2 rue André Pascal, F-75775 Paris Cedex 16
Tel: + 33 (0)1 45 24 97 10
Fax: + 33 (0)1 45 24 13 22
itf.contact@oecd.org
Free e-mail alert service
www.oecd.org/OECDdirect

Photo credits: © Photodisc, PhoNov, Corbis, Minnemedia.