

## EDITORIAL

*We are seeing optimistic reports of an earlier-than-planned economic recovery after the worst year on record. Though there are positive signs - increased throughput in China's top ports, stabilised car sales in many parts of the EU and a faster rate of spending on infrastructure programmes in some countries, transport volumes are still far below pre-crisis levels.*

*Just as the pace of recovery is uncertain, so is the resumption of trade patterns to previous levels. This uncertainty requires constant reappraisal of our priorities while keeping an eye on the long term policy goals.*

*Global interdependence is likely to increase further, not decrease as a result of the crisis. The benefits of international cooperation and open markets are messages that the Forum has been sending consistently and which need to be reiterated to withstand domestic political pressure. Regrettably, we see protectionism on the increase in the transport sector.*

*Maintaining recovery programmes with a strong transport component is essential. But opportunities for innovation and greener growth must be grasped wherever they exist. We need better to understand what the barriers to innovation are, and how we can overcome these in our sector. This will be the challenging theme of our 2010 Forum.*

**Jack Short**  
Secretary General

## TRANSPORT & INNOVATION

### Old problems, new answers?

Enormous gains have been made in transport in recent times, greatly increasing efficiency, safety, security, accessibility and environmental performance. However, the transport sector remains subject to a number of key challenges that impact on the economy and society as a whole.

Overall emissions from transport are increasing due to traffic volumes, while congestion remains a problem across every transport mode. Although the safety of individual vehicles is increasing, deaths and injuries are on the rise in many countries, as more people get access to motorcycles and cars. Society is also demanding more in terms of accessibility for persons with limited mobility.

Transport systems have adapted over time to meet the needs of a changing, and increasingly globalised, world. An efficient, modern and adaptable system – including both “hard” (bricks and mortar) and “soft” (information and communication technology) infrastructure, as well as balanced policies – has been and will continue to be key to sustained economic growth.

What are the factors that drive this change? What innovation is required to meet the inherent challenges? What are the policy responses that will ensure the global transport system keeps up with the pace of change?

#### Innovation at play

*Policy pull and technology push in the automotive industry.*

#### Addressing the innovation challenge

These questions form the starting point for the International Transport Forum to be held on **25-28 May 2010 in Leipzig, Germany** under the Presidency of Canada.

The 2010 Forum will provide an excellent opportunity both to explore some of these factors – many of which have broad resonance outside the transport sector – and also build on the outcomes of the 2008 and 2009 Forums, forging linkages between climate change, the global downturn and innovation.

The 2010 Forum will bring together a wide range of experts and innovators from the private sector and academia to engage in a dialogue with public sector representatives, share their insights on what they believe are the critical ingredients to successful innovation and articulate the role of innovation in transforming the sector.

In the run up to the Forum itself, a series of preparatory meetings with transport stakeholders and the research community is underway to improve the collective understanding of the key policy challenges affecting innovation.



## POLICY RESPONSES TO THE CRISIS: INVESTING IN INNOVATION

Efforts to stimulate the economy need to both reflect the current drivers of economic growth and take advantage of the process of “creative destruction” to accelerate structural shifts towards a stronger and more sustainable economic future, according to a recently released OECD report.

The report notes that available evidence suggests the crisis has already begun to affect investment in innovation.

Business R&D is declining because it is mainly financed from cash flows, which contracts in downturns. At the same time, as banks, markets and investors have become more risk averse; firms face difficulties in tapping into external sources of funding to support their investments in research. Business R&D is also being re-oriented towards short-term, low-risk innovations, while long-term, high-risk innovation projects are being cut first.

Although the current situation poses hard new questions and choices for all governments, the report argues, it also offers an opportunity to strengthen the medium and long-term potential of the economy through forward-looking structural measures that inject innovation into the mix of policy measures related to boosting innovation, such as investment in modern infrastructure, R&D, support for small and medium-sized enterprises, education, and the greening of the economy.

Governments can prepare the next phase of innovation-led productivity growth by encouraging the creation of new market players, investing in high-speed communication networks, building skills through life-long education, and sending clear energy price signals, to name some of the policy options available.

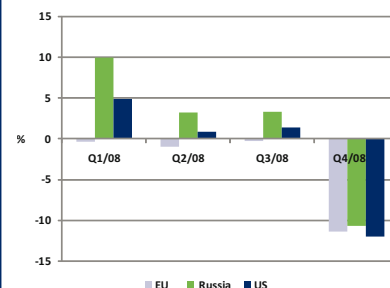
**Read the full report at:**  
[www.oecd.org/innovation/crisis](http://www.oecd.org/innovation/crisis)



## DATA WATCH

### Rail freight hit by the crisis in Q4 2008

Rail freight ton-km fell sharply in almost all Forum member countries in the last quarter of 2008. The EU, US and Russian Federation (representing 92% of all rail freight in Forum countries) saw freight volume decline by over 10%. A similar pattern is emerging for road freight although reliable statistics are not yet available.



Source: OECD/ITF

## Innovation in Road Transport Opportunities for Improving Efficiency

Under the auspices of the ITF and the IMTT (Inland Transport Authority, Portugal), a seminar on road transport innovation will be held on 2 October 2009 in Lisbon.

An important preparatory event for the 2010 Forum on Transport and Innovation, the aim of the seminar is to examine key issues and policy challenges in the development and applications of information technology in road transport, both in individual countries and at a wider level.

The Seminar will consist of three thematic sessions looking at a range of technologies available to the road transport sector:

- ▶ Information technologies and infrastructure charging based on assessments of deployed systems.
- ▶ How ITS can help increase the efficiency of the trucking industry and facilitate the smooth and paperless movement of goods along transport supply chains.
- ▶ Innovations in vehicle and fuel technologies: what are the prospects for alternative fuels and next generation HGVs?

The seminar is free of charge and designed for practitioners from the Ministries of Transport of Forum member countries, industry experts and researchers, as well as representatives of stakeholder organisations.

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## SEMINAR

**INNOVATION  
in  
ROAD  
TRANSPORT**  
**2 Oct. 2009  
Lisbon**



## 18th International Research Symposium The Future for Interurban Passenger Transport

By bringing citizens closer together, recent innovations in passenger transport technologies and services are changing the geography of our world. Investments in high-speed railway networks, the liberalization of air transport and the expansion of motorway networks are reducing travel time and costs substantially. How much more potential do these developments hold in driving future growth in passenger transport? The current financial and economic crisis has overturned forecasts, but will it make a fundamental difference to the future geography of economic activity or will its impact prove transitory? Will regulation to protect the environment and manage CO<sub>2</sub> emissions significantly change the way passenger transport services develop in the future?

Our 18th International Symposium on Transport Economics and Policy will examine these issues and assess the way government policies will shape the future of passenger transport. The symposium will be held in **Madrid, Spain**, on **16-18 November 2009** and will be organised around a series of debates opened with a keynote address from an influential thinker on economic geography, Professor Jacques-François Thisse. The Symposium is organised around five major themes:

- ▶ Future trends in interurban passenger transport
- ▶ Adapting networks to the passenger transport market: long-term planning and assessment
- ▶ Competition and regulation of interurban travel
- ▶ Transport system interactions and innovation
- ▶ Sustainable interurban mobility

For further information and registration, please visit [istep2009.cedex.es](http://istep2009.cedex.es) ▶🔗

## IMPROVING FUEL EFFICIENCY

Cutting global average automotive fuel consumption by 50% would reduce emissions of CO<sub>2</sub> by over 2 gigatonnes per year. This level of improvement is achievable using existing, cost-effective incremental fuel economy technologies, but requires coordinated policy incentives around the globe.

This was the thinking behind the recent launch of an initiative to improve vehicle efficiency worldwide. The Global Fuel Economy Initiative (GFEI), which brings together the FIA Foundation, IEA, UNEP and ITF, endeavours to improve the understanding of the potential for increased fuel efficiency and reduced CO<sub>2</sub> emissions, and provide support on the development of policies to promote more fuel-efficient vehicles.

Its main levers of action are improved data gathering and analysis, working with governments and car manufacturers on fuel economy measures and supporting awareness initiatives aimed at end users.



The initiative was launched at this year's Geneva Motor Show and will begin work with the ITF's newest member, India, in conjunction with the Environmentally Friendly Vehicle Conference to be held in New Delhi in November.

The GFEI will hold a roundtable meeting during the 2010 International Transport Forum in Leipzig, with the publication of a report on the State of the World's Fuel Economy.



## Reliability in Focus

Together with the Strategic Highway Research Program (SHRP2) of the US Transportation Research Board, the Joint Transport Research Centre of the OECD and the International Transport Forum will explore values of travel time reliability during a meeting in Vancouver, Canada, on **15-16 October 2009**.

The meeting will bring together researchers and decision-makers to examine recent research results and country experiences on reliability measurement, and explore successful practices in integrating reliability into cost-benefit analysis. One of the key pieces of research to be discussed is the JTRC report on Improving Reliability on Surface Transport Networks, to be published later this year.



*“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.*

## Green Cars initiative

Launched as part of the European Commission’s economic recovery package, the Green Cars initiative aims to boost to the automotive industry in a time of economic hardship and support the development of sustainable forms of road transport. EUR 4 billion will be made available through loans by the European Investment Bank and EUR 1 billion through support to research within the Seventh Framework Programme for Research (FP7).

In a related development, the European Commission announced on 13 July 2009 the first round of research calls for proposals injecting EUR 268 million in three key market areas, including the automotive sector, in order to trigger economic recovery and make it more sustainable and knowledge-based.

## Beijing plans maglev train

The first maglev train independently manufactured by China will run on Beijing’s first maglev rail, which is scheduled to be completed before 2015. The maglev train will run at about 100 to 120 kph across Beijing’s suburban districts.

## London experiments ISA

Transport for London has announced a six month trial of Intelligent Speed Adaptation technology on a London bus.

The trial will monitor driver behaviour, journey times and the effect that driving within the speed limit has on vehicle emissions. In the medium term, the technology could also be tested on licensed taxis.

## Solar Impulse unveiled

On 26 June 2009, a prototype of the first aircraft designed to fly both day and night without fossil fuel or pollution, was unveiled to the media and general public in Dübendorf, Switzerland.

The prototype’s mission is to demonstrate the feasibility of a complete day-night-day cycle propelled solely by solar energy using 12 000 solar cells mounted onto the wing. The first complete night flight is programmed for 2010.

## JUST OUT

Available from OECD Bookshop  
[www.oecd.org/bookshop](http://www.oecd.org/bookshop)  
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- **Trends in the Transport Sector 1997-2007**  
(June 2009)



- **Round Table 143: Port Competition and Hinterland Connections**  
(July 2009)

## NEW

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## FORTHCOMING ITF/JTRC EVENTS

- ▶ **1 October 2009, Lisbon**  
Meeting of the Group on Road Transport
- ▶ **14-15 October 2009, Montreal**  
Meeting of the Task Force 2010 and Transport Management Board
- ▶ **16-18 November 2009, Madrid**  
18th International Symposium on **The Future for Inter-Urban Passenger Transport**
- ▶ **19-20 November 2009, Madrid**  
12th Joint OECD/ITF Transport Research Committee
- ▶ **SAVE THE DATE - 25-28 May 2010, Leipzig**  
3<sup>rd</sup> International Transport Forum - Transport & Innovation

