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Better Institutions to Manage Mobility

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There have been many advances in transport over the last 50 years. The generalisation of motorways, high speed trains, the container, the jet engine, ever larger ships and planes, integrated traffic management, information systems, dramatic reductions in pollution and (in the motorised world) traffic deaths. Transport is faster, more productive and efficient, cleaner, safer and (until very recently) cheaper than it has ever been.

This progress has been realised in a context of mostly unchanged basic infrastructure, technology and governance structures. Moreover, the potential for further progress along this path should not be underestimated.

We might also expect a great deal from Information technology. But it has not yet delivered the promised benefits. The reasons might include over-dimensioned expectations by promoters, the withdrawal of public financial support and with the resultant focus on purely commercial applications, and the underestimation of the institutional and administrative changes needed. As a simple illustration, technology has great potential to reduce car crashes, but this requires changes to the basic legal texts and practice so that responsibility is shared between the driver and the system.

Whether incremental or breakthrough, significant further improvements are needed to provide improved access, facilitate trade as well as reduce deaths, traditional pollutants, congestion and now to eliminate carbon.

Low-carbon transport will be the biggest technological challenge. It is of a different order than other challenges because we know (in theory) how to reduce accidents, traditional air pollution and even congestion, but we are much less certain on how to move to low-carbon transport at a reasonable cost.

The carbon challenge will require a breakthrough, a technological paradigm shift to reduce dependence on oil and carbon-based fuels in general. While doing everything to support such breakthroughs (research, demonstrations, policy incentives), emphasis in the short-term needs to be on improving the efficiency of existing technology.

But even if we could increase fuel efficiency in transport by 50% per unit travelled, it would not be enough to achieve the kinds of emissions reductions being sought and it does not solve the congestion and other problems the system faces.

Therefore, in parallel with the search for less carbon intensive ways of producing mobility, a simultaneous and equally important challenge is to manage mobility. This is not only a developed world issue. If it is not done in the developing world, the cities will choke and economic growth will be impeded.

Managing mobility is multifaceted, including investment, pricing, technology, land use planning and public transport development. But the keys are a more holistic, more proactive approach and the idea that instruments need to be combined so that they work together.

Managing mobility requires significant institutional change, as present transport institutions at all levels are poorly designed for modern needs.

For local or regional transport, decision making is complex, unwieldy and takes place in many institutions at different levels.

At national level, there are often separate Ministries for roads or rail or ports. There is no strategic, (and often, no economic) analysis of investment proposals. Environmental and technical standards in transport are in separate institutions or organisations. Road safety responsibilities in many Countries remain split between police and other authorities. Crossing borders is still complex and slow, involving many agencies and Ministries, but often without coordination or leadership. Land use and fiscal decisions influence demand but are often poorly coordinated and are outside the responsibilities of Transport Ministries.

At global level, there are the bodies dealing with aviation (ICAO) and shipping (IMO) but until the creation of the International Transport Forum, there was no institution where transport requirements and challenges could be examined across all modes and countries by those responsible.

In summary, transport governance is fragmented and governance culture is poorly suited to promote efficient management of the system.

But setting up new institutions is slow and often does not deliver the results as intended. However, in the short term, there are changes that can work, by improving and strengthening existing arrangements.

At local or regional level, the ideal solution is an urban or regional authority with responsibilities for managing demand and also for infrastructure and public transport provision as well as for non-motorised modes. Such authorities need revenue collection and expenditure powers. In practice achieving such strong powers is difficult and pragmatic ways forward need to be found. One that has worked is, initially, to bring all actors together in a rather loose way to see whether agreement can be found on the strategy and long term approach to mobility. If it can, the funding and administrative arrangements can be built up to meet the objectives agreed.

At national level, Transport (or mobility or travel) Ministries need a broader more proactive brief. They need to be concerned about and work on demand instead of only on their traditional supply side role. They need to move from their role as infrastructure providers, as infrastructure investment is no longer the full answer.

It is a major challenge to integrate these proactive and strategic actions in Ministries whose main job is dealing with day-to-day problems. But it is possible; for a start, there need to be internal structures and activities within the Ministry that permit and foster these activities.

At global level, consensus-based approaches are ideal, but are too slow and inefficient for the rapidly changing world. Forms of majority decision making are being studied but since they have to be agreed unanimously, they will be weak. Non distorting and non discriminatory mechanisms need to be found so that countries or regions that wish to move faster on particular challenges are not prevented from doing so. For example, carbon reduction in aviation and shipping can be incentivised through ports or airports differentiating charges. Regulations may not be the only way forward internationally and here, especially, well designed economic instruments can play an important role in the immediate future.

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