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### **Statement by the vida trade union (Austria): Revision of the EIB's transport lending policy**

The vida trade union positively welcomes the fact that the European Investment Bank (EIB) has launched a consultation process on its transport lending policy and is pleased to have the opportunity to make a statement.

#### **Introductory remarks**

The vida trade union welcomes the European Commission's intention to take greater account of considerations of environmental protection and sustainability in the future planning and prioritisation of TEN-T lines and suggests that this also be integrated into the EIB's lending policy. Our members are railway workers, bus, lorry and taxi drivers, and aircraft and ship crews in Austria. Consequently, we have to have a comprehensive overview of transport policy in order to be able to provide optimal support to our members, both in the present and in the future, and are therefore calling for sustainably safeguarded, high-quality jobs. The planning and construction of the best possible transport infrastructure, in accordance with requirements, influences the quality and organisation of our members' job.

It must be assessed how the transport sector would develop in peak oil periods (i.e. rising oil price trends) and in the event of stringent climate protection measures, from a quantitative perspective and in terms of modal split. The risk of bad investments in infrastructures which have no future and are underutilised must be averted.

The vida trade union therefore advocates 'multi-modality' in transport policy and giving priority in infrastructure expansion to railways and public transport. If the EU's environmental objectives are to be integrated into infrastructure planning, account must be taken of the following criteria:

- Modal shift from high-emission to low-emission means of transport: increased expansion of railways, prioritisation over roads;
- Accelerated electrification of railways, using ‘cleaner’ electricity from renewable energy sources (not electricity generated by nuclear power), and utilisation of buses running on liquefied natural gas, hybrid electric engines or potentially alternative fuels;
- Infrastructure projects should also have regard to the rules on protection of workers. Examples would be the provision of more HGV parking spaces and improved safety standards on motorways;
- Meaningful auto-electromobility requires multi-modality. It is greener to travel longer distances by rail and then complete the ‘first or last mile’ by electric vehicle. To that end it is necessary to establish EU-wide harmonisation regarding technical specifications, loading installations, waiting ranks at railway stations, reservation and accounting systems, clean electricity etc.;
- Expansion of shipping routes where this does not harm the environment;
- Increased shift from road haulage to rail and maritime and inland waterway navigation;
- Protection of rail infrastructure coverage (maintenance of regional railways).

Thus far, there has been a preponderance of road construction projects among the European Investment Bank’s lending operations. This is illustrated by the following statistics on EIB lending in the period from 2007 to 2009:<sup>1</sup>

<b>EIB lending 2007-09</b>	<b>Amount signed EUR M</b>	<b>%</b>
Air	5 157	11.6%
Roads, Motorways	16 540	37.4%
Intermodal + other	1 060	2.4%
Maritime	3 168	7.2%
Rail	9 925	22.4%
Urban	8 399	19.0%
Total	44 249	100.0%

Around half the total amount of EIB lending has thus been used for projects which are potentially damaging to the environment and the climate (air and road transport). This imbalance should be urgently rectified.

#### **Specific question 1:**

‘Smarter’ economic growth must be finally decoupled from growth in transport. In order to achieve this, real cost transparency is needed (internalisation of external costs). In addition, there must also be real multi-modality, where each transport system can play to its strengths. In terms of passenger transport, this would mean covering longer distances by rail and then using an individual vehicle for the ‘last mile’. If the use of such vehicles is decoupled from ownership, new and more expensive

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<sup>1</sup> EIB (2010): EIB prepares the review of its lending policy in support of a sustainable transport sector – Call for public views.

drive technologies could be more easily popularised. To this end, 'new' financing models are needed, which could become a field of activity for the EIB. The EIB could also grant financial assistance for conversions of transport companies' vehicle fleets and for the provision of cleaner electricity.

**Specific question 2:**

The construction of additional road infrastructure gives to more road traffic and thereby magnifies the existing problems, such as congestion, air pollution, noise, risk of accident, weakening of rail transport operators etc.

Electromobility is probably the key to higher energy efficiency. Relevant infrastructure should be financed and expanded. However, electromobility is not only restricted to motorised private transport, but also covers established and expandable systems such as the underground, trams, trolley buses and electrified railways.

Electromobility can only produce environmental and efficiency benefits if the required energy comes from supplementary climate-neutral and renewable energy sources (this does not include nuclear energy!)

**Specific question 3:**

In view of rising oil prices, the comprehensive expansion of public transport is the best way to guarantee the fundamental right to mobility for all social classes. The demographic trend in Europe also calls for affordable, universally available public transport. In order to offer these services at the highest-possible quality, there is a need for well-motivated and well-trained employees who receive fair remuneration and have social security cover. With social dumping and job cuts it is not possible to maintain an effective public transport system in the long term. The vida trade union also calls for key transport infrastructure to be in public ownership and under public control.

Yours sincerely,

[signed]  
Rudolf Kaske  
President

[signed]  
Norbert Bacher-Lagler  
National Managing Director