

## UNIFE position paper on *A 2030 Framework for Climate and Energy Policies*

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### Introduction

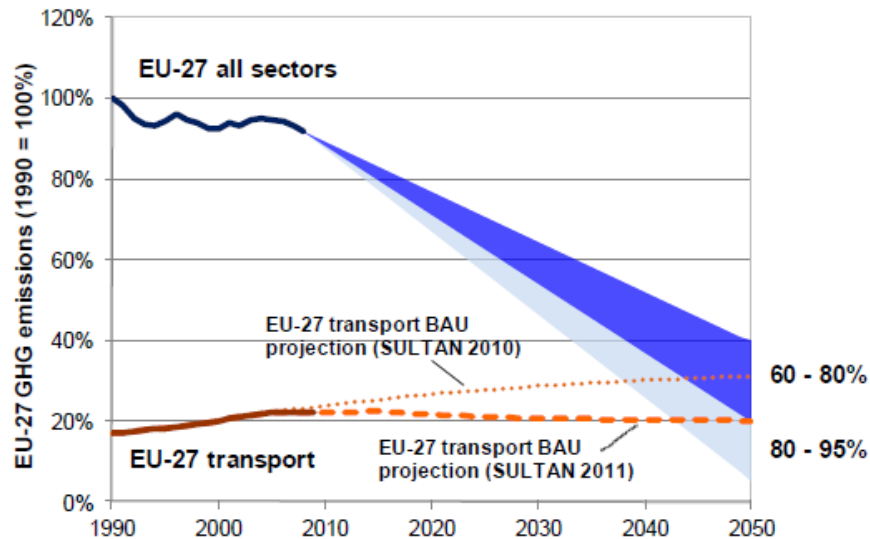
UNIFE, the European Rail Industry, welcomes the European Commission green paper on “A 2030 Framework for Climate and Energy Policies” (COM(2013) 169) aimed at starting discussions on the post-2020 EU energy and climate policy.

The new policy framework will have a strong and long term impact, not only from a regulatory perspective, but also from an economic perspective since it should provide certainty and reduced risks for investors. Therefore, it is of utmost importance that the EU’s post-2020 energy and climate policy encompasses the **specific needs of the transport sector, which accounted for 30% of total CO2 emissions from the EU in 2009**. This paper provides UNIFE contribution to this strategic debate.

### The EU 2030 framework requires the decarbonisation of the transport sector

The transport sector accounts for around a third of EU greenhouse gas emissions, with 30% of total CO2 emissions from the EU in 2009. This makes it the **second biggest greenhouse gas emitting sector after energy**. Road transport alone accounts for about one-fifth of the EU's total CO2 emissions, but there are also significant emissions from the aviation and maritime sectors, which are experiencing the fastest growth in emissions. While greenhouse gas emissions in other sectors decreased significantly between 1990 and 2009, **emissions from transport increased 34% during the same period**.

Business as usual scenarios tend to demonstrate that the share of **CO2 emissions from the transport sector is likely to maintain its current level or could even keep increasing until 2050** in spite of EU CO2 emissions reduction as a whole (see figure below).



Source: EEA<sup>1</sup> (2012) and SULTAN Illustrative Scenarios Tool<sup>2</sup>

In this context, two strategic commitments towards 2050 have been taken at EU level:

- In February 2011, the European Council reconfirmed the EU objective of reducing greenhouse gas emissions by 80-95% by 2050 compared to 1990;
- In March 2011, the European Commission published the Transport White Paper, which featured 40 concrete initiatives with the ultimate goal to achieve a 60% reduction in CO<sub>2</sub> emissions in the sector by 2050.

In compliance with the energy and climate package, the EU has put in place legislation to reduce its emissions to 20% below 1990 levels by 2020, and recent data show it is well on track to reach this target<sup>3</sup>. However, if the EU is to achieve its longer-term goal, considerable reductions in greenhouse gas emissions from transport are required. Extensive use of alternative fuels and technology improvements alone cannot reverse the current trend. The transport sector needs to be decarbonised, which clearly calls for additional policy instruments to encourage the take up of technical and non-technical options.

In this respect, UNIFE has repeatedly advocated a **modal shift from road and air to rail as the most environmentally friendly mode of transport**<sup>4</sup>. This modal shift will also generate a number

<sup>1</sup> Based on historic data from the EEA's GHG data viewer, downloaded from EEA's website 10/02/12: <http://www.eea.europa.eu/data-and-maps/data/data-viewers/greenhouse-gases-viewer>

<sup>2</sup> Projections based on data from the SULTAN Illustrative Scenarios Tool (BAU-a scenario) and historic data from DG MOVE (2011) *EU energy and transport in figures Statistical Pocketbook 2011* Luxembourg, Publications Office of the European Union, 2010.

<sup>3</sup> [http://ec.europa.eu/clima/policies/g-gas/index\\_en.htm](http://ec.europa.eu/clima/policies/g-gas/index_en.htm)

<sup>4</sup> In 2009, railways accounted for 0,6% of EU-27 GHG emissions from transport (excluding indirect emissions from electricity consumptions), compared to 71,7% for road transportation, 14,6% for navigation and 12,3% for total civil aviation. Source: European Environment Agency, August 2011.

of additional benefits such as reduced dependency on foreign energy suppliers, or reduced congestion and health issues.

## A binding CO2 emissions reduction target should be set

### *A unique target focused on CO2 emissions reduction*

During the energy and climate package negotiations in 2008, UNIFE advocated that sectoral targets rather than country targets should be considered in order to avoid carbon leakage problems. However, no specific targets were defined for the transport sector, since the Effort Sharing Decision established overall binding annual greenhouse gas emission reduction targets for Member States for the sectors not included in the EU Emissions Trading System (including transport).

In driving the objectives of climate and energy policy, UNIFE believes that **the most effective target would be that of a CO2 emissions reduction**. To achieve long term CO2 emissions reduction objectives, a medium term objective needs to be agreed upon. Setting a target to 2030 would provide investors and businesses with a clear perspective while increasing the predictability of the regulatory framework. Due to their more controversial nature or uncertain outcomes (e.g. Energy Efficiency Directive, still in transposition phase), no further EU targets for renewable energy sources and energy efficiency should be set after 2020.

### *A target for the transport sector*

With respect to the 2030 framework, UNIFE believes that **emissions reduction targets should be set for individual industry sectors**, according to their specific characteristics. The targets should be legally binding in order to ensure the commitment of stakeholders and to operate a sea-change in the European transport system. Furthermore, UNIFE is convinced that the focus should remain on CO2 emissions reduction rather than on fixing a mandatory share of renewable energy sources in transport (i.e. 2008 Renewable Energy Directive).

While the European rail sector fully supports the transport sector decarbonisation outlined in the Transport White Paper, only the implementation of the proposed measures will determine if the vision becomes a reality. The 2030 Framework for Climate and Energy Policies is an opportunity to acknowledge that transport should actively contribute to the fight against climate change, and to translate the sustainability objectives of the White Paper into legislation.

## R&I should be the cornerstone of the 2030 framework

Any ambitious target aiming at reducing CO2 emissions will need to be supported by a strong European research programme focused on decarbonisation of the economy. Horizon 2020, the EU framework programme for 2014-2020, will feature an increased focus on innovation and market uptake of new technologies. Given the 2050 commitments made by the EU, **transport research, through the dedicated societal challenge of Horizon 2020, must benefit from a budget at the level of its ambitions.**

While technological improvements to meet environmental targets are of utmost importance, UNIFE wishes to stress that cleaner transport must be achieved through a wide range of innovative solutions. The railway sector already has an excellent track record in ensuring low-carbon emissions compared to other transport modes, but it could do more to reduce its carbon footprint<sup>5</sup>. This is one of the reasons why the European rail industry has joined forces in SHIFT<sup>2</sup>RAIL<sup>6</sup>, the first European initiative to deliver focused R&I and market driven solutions by accelerating the integration of new and advanced technologies into innovative rail products.

Building on the long-established cooperation among the rail sector in EU-funded collaborative research projects<sup>7</sup>, **SHIFT<sup>2</sup>RAIL aims at ensuring that the ambitious goals of EU transport policy and climate change will be met.** Supported by Commissioners Geoghegan-Quinn (R&I) and Kallas (Transport), this project is expected to start in 2014-2015 and will enable the whole railway sector (railways undertakings, infrastructure managers, SMEs and research centres) to cooperate. SHIFT<sup>2</sup>RAIL will feature several Innovation Programmes, some of which activities will be directly targeted at gains in rolling stock and infrastructure energy efficiency. Through its activities, **SHIFT<sup>2</sup>RAIL will lead to a significant reduction of environmental issues and a significant increase in the resilience to climate change.** It will also give a strong impetus to the modal shift, making rail transport more attractive, reliable and efficient.

## The EU needs to define its ambitions for a 2015 international climate agreement

UNIFE is actively promoting railways as the backbone of sustainable transport in both rural and urban areas. In this respect, it strongly **supports the conclusion of a binding global climate**

<sup>5</sup> In 2010, UNIFE performed an energy saving evaluation exercise for the railway rolling stock. This exercise concluded that due to latest technologies, an estimated average 20% energy reduction had been obtained in most service types by 2010 compared to 1990, and that further energy efficiency progress could be gained via more advanced technologies.

<sup>6</sup> <http://www.unife.org/page.asp?pid=194>

<sup>7</sup> UNIFE coordinates several projects focused on decreasing the carbon footprint of the railway sector, e.g. OSIRIS (Optimal Strategies to Innovate and Reduce energy consumption In urban rail Systems) and CleanER-D (Clean European Diesel). The Railenergy project, completed in December 2010, aimed at increasing energy efficiency of railway systems by investigating and validating solutions such as the introduction of innovative traction technologies, components and layouts.

**agreement to enter into force in 2020** and committing all parties to the reduction of greenhouse gas emissions. However, UNIFE wishes to stress that the decarbonisation of transport, as a necessary prerequisite of the future 2030 framework for climate and energy policies, should be a priority topic during negotiations.

UNIFE therefore calls European institutions to move forward smoothly on the discussions on the future 2030 framework. For the Durban platform to deliver an agreement by 2015 on post-2020 commitments, the EU needs to display a clearly defined position with regard to its ambitions for greenhouse gases reductions.

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## About UNIFE

UNIFE represents the European Rail Industry in Brussels since 1992. The Association gathers more than 80 of Europe's leading large and medium-sized rail supply companies active in the design, manufacture, maintenance and refurbishment of rail transport systems, subsystems and related equipment. A further one thousand suppliers of railway equipment partake in UNIFE activities through 16 national rail industry associations. UNIFE members have an 80% market share in Europe and supply more than 50% of the worldwide production of rail equipment and services.

UNIFE represents its members' interests at the level of both European and international institutions. On the technical side, UNIFE works on the setting of interoperability standards and coordinates EU-funded research projects that aim at the technical harmonisation of railway systems. The association is one of the supporting bodies of the European Railway Agency.

***UNIFE. Promote rail market growth for sustainable mobility.***

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