

Position Paper

Brussels, 28 September 2018

The Strategy for long-term EU greenhouse gas emissions reductions

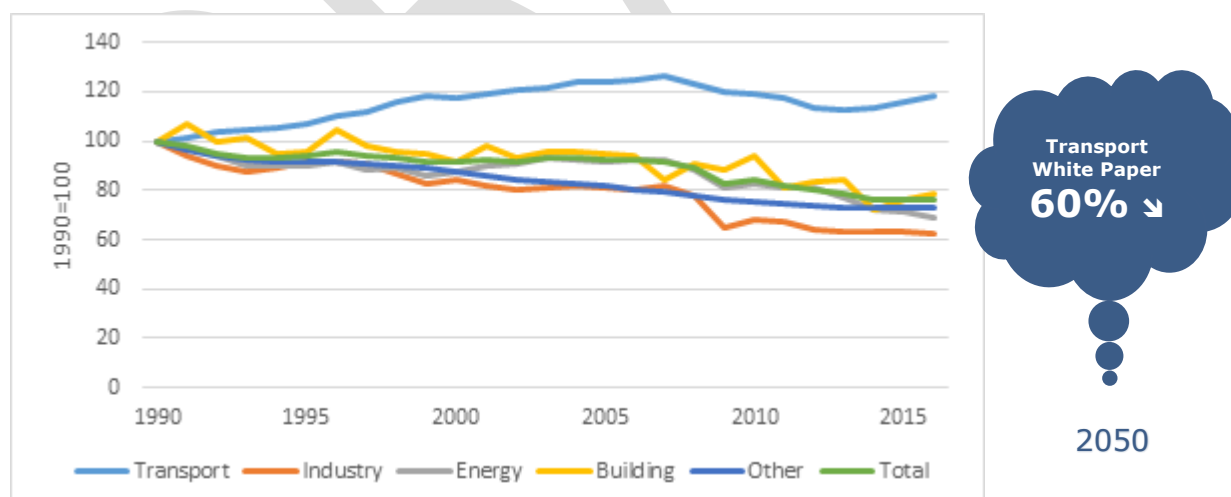
1. Introduction

The Community of European Railway and Infrastructure Companies (CER) welcomes the European Commission's initiative to present a strategy for long-term EU greenhouse gas (GHG) emissions reductions in accordance with the Paris Agreement. The strategy is to guide the EU's current and future climate and energy policies and steer Europe to urgently move away from **imported fossil fuels** towards a **low-carbon economy**, while also reaching high efficiency standards. A low-carbon transport and energy system is crucial to deliver these goals and **European railways are the best low-and zero emission solution to decarbonise transport – already widely available today**. CER urge the Commission to take effective steps to implement **EU's low emission mobility strategy** by realising **modal shift targets** to reach emission reductions needed in the transport sector.

2. Transport emissions are the main obstacle in delivering EU's climate commitments

Transport remains the second largest GHG-emitting sector after energy – being responsible for 24% of the EU's GHG emissions. According to the European Environment Agency (EEA) GHG emissions decreased in majority of sectors between 1990 and 2016 in Europe however, transport is the single exception in which emissions are increasing¹. Furthermore, emissions from transport are growing faster than any other sector. **Energy-efficient low-emission railway is the only mode reducing its emissions** and it is the solution to address the current emissions gap compared to the ambition for 60% GHG reduction target by 2050 for transport, as set in the 2011 Transport White Paper.

Figure 1: GHG emissions in the EU in percentage change 1990-2016



Source : EEA, 2018

¹ Transport GHG emissions, after a peak in 2007 followed by a 10% decrease for 2007-13, are increasing since 2013.

3. Rail as the solution to achieve GHG emissions reductions

Rail is central to substantially contribute to the EU mid-century target to reduce GHG emissions in the transport sector by 60% compared to 1990 levels. Rail combines **energy-efficient mobility with fewer emissions**. Furthermore the sector by establishing its own voluntary sustainable mobility strategy challenges itself to provide society with a **climate neutral transport alternative** as part of the wider move to decarbonise transport². CER believes that with a **modal shift to low-emission modes** such as railway the EU transport sector would decarbonise itself.

According to the EU Transport in figures statistical pocket book and Eurostat energy data, rail's **specific energy consumption is 6 times lower** than road due to physical advantages such as lower rolling and air resistance.

European railways are already able to offer zero emission transport. More than half of rail infrastructure is electrified and **80% of traction is already running on electricity**, which is becoming greener. Electricity by renewables sources supplied to railway sector reached more than 20% in 2015. This is already **beyond the 2030 renewable energy target** for transport.

The leading performance of rail transport in terms of GHG emissions is also well-documented by the EEA indicators. Travelling by rail is **9 times less CO₂ intensive** compared to road or air transport.

Figure 2: Specific CO₂ emissions per transport mode



Source: EEA, 2017

² Rail sector targets are presented and explained in the CER-UIC "Rail transport and environment: facts & figures", chapter 8 <http://www.cer.be/publications/latest-publications/rail-transport-and-environment-facts-figures>

4. CER proposal

Decarbonisation of the transport sector remains both a **challenge** and an **opportunity**. Here are CER's recommendations to be taken into account when drafting the EU strategy:

- First of all, CER suggests the **Transport White Paper 2011 target** for GHG emission reduction to be **confirmed in legislation**.
- Support **further electrification of rail** to achieve massive emission reductions and couple this with increasing renewable energy in Europe. Where the classical electrification solution with overhead lines is not economically justified, such as low-density lines or last mile, the rail sector requires **sustainable alternative energy sources** as a substitute to diesel.
- The EU strategy should facilitate transport-related **research and innovation** with a focus on marketability of **new clean technologies and multimodal solutions**. The railway industry continues investing in the development of technologies such as fuel cell propulsion so that rail can be a completely zero emission transport mode.
- Make best use of **intermodality** by integration of rail stations into **active mobility, electric urban public transport** and **city logistics**.
- Finally, regulators should encourage the **shift to low-emission modes** such as rail by levelling the competitive playing field. Rail sector favours **full internalisation of external costs** for all modes. This requires a balanced carbon pricing in the transport sector. Rail, as a major electric transport mode is currently being penalised by environment-related charges unlike more CO₂ intensive modes. The existing inconsistency in the European climate, energy and transport policies need to be corrected to deliver 2011 Transport White Paper's goals thus reduce transport GHG emissions:
 - The **EU Emissions Trading System (ETS)** is the central pillar of EU's climate policy and it has been recently revised for the period 2021-2030. Railways (80% traction is electric) fully pay into the ETS. This is not the case for aviation and road. CER requests a **balanced carbon pricing policy** across all transport modes. Until ETS Directive achieves this, Member States should be encouraged to **dedicate auction revenues for the further promotion of low-carbon modes**.
 - Internalisation of external costs should be based on the more systematic application of **polluter-pays principle**. The topic is highly debated. For the transport sector the Commission regularly updates a handbook and conducts studies (a study is running in 2018) however so far this has not fully led to legislations introducing internalisation of external costs according to polluter-pays principle. A revitalisation of all policies aimed at internalising external costs is needed and the ongoing revision of the Eurovignette Directive should make this possible without further delay.

About CER

The Community of European Railway and Infrastructure Companies (CER) brings together more than 70 railway undertakings, their national associations as well as infrastructure managers and vehicle leasing companies. The membership is made up of long-established bodies, new entrants and both private and public enterprises, representing 73% of the rail network length, 77% of the rail freight business and about 93% of rail passenger operations in EU, EFTA and EU accession countries. CER represents the interests of its members towards EU policymakers and transport stakeholders, advocating rail as the backbone of a competitive and sustainable transport system in Europe. For more information, visit www.cer.be or follow us on Twitter @CER_railways.

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