Mitigating the transport-related climate change impacts of trade and tourism

Hall 1, Level +1

Thursday, May 28, 2015, 11:00 - 12:45

Transport makes worldwide trade and tourism possible. As global trade and tourism activity grows, so does the impact of transport. A shift towards transport solutions that reduce carbon emissions is politically and technologically difficult, but an important building block towards sustainable development. To facilitate the shift, governments have already made commitments on the public policy side through the Lima-Paris Action Agenda, but have not yet set firm targets. Industry has made it clear in the past that the commitments to reduce carbon emissions should not be a self-defeating exercise or unilateral action, without consideration of the importance of trade and tourism in the economy. Pursuing unilateral goals will move jobs to less restrictive locations around the globe and increase the cost and emissions through increased transport distance for raw materials and goods transport.

For transport, which is one of the key areas in the Lima-Paris Action Agenda, there are now 11 initiatives, covering each transport mode, and behind each initiative there is an industry champion representing the perspective of industry.

Despite initiatives underway progress has been slow and time is not on our side. This was the message of UN Secretary General Ban Ki-moon, who urged that all accelerate efforts in finding green solutions that will lead to a sustainable transport future. The Secretary General of the ITF, Jose Viegas acknowledged this position and also stressed that the cost of ensuring the resilience of our infrastructure and operations through the more extreme weather conditions likely to be associated with climate change will be considerable. The potential cost of being slow is thus considerable.

Solutions that are economically viable and least politically challenging and can be deployed fastest should clearly be pursued as a priority. Clear examples include planning and logistic solutions such as the "SmartWays" program for clean and efficient trucking in the US, which has enabled improvements in fuel economy by introducing simple measures to improve aerodynamic characteristics. This has created a win-win situation, reducing the carbon emissions and the cost of the shippers at the same time.

Other more ambitious examples with a greater impact are emerging technological developments, such as cooperative ITS solutions, linking users, cars and infrastructure, which could allow substantial advances in efficient organization and correspondingly lower CO2 emissions. They bring about changes of existing business models, with impacts on social behavior, changing the structure of services and employment. A major part of the recipe for their successful deployment is cooperation between stakeholders, public and private.
In the presentations from industry leaders, it was made clear that technologies are ready and that the private sector is ready to achieve ambitious climate goals. A 50% CO2 emissions reduction by 2050 against the background of a doubling of the transport volumes was identified as achievable by Jean Dominique Senard of Michelin. A position supported by Sheila Watson of the GFEI.

Having a clear and ambitious target provides a clear idea on the possible price of CO2 emissions. Providing this clarity is a necessity for business planning and creates the motivation to seek new solutions. The private sector is ready to achieve ambitious climate goals but a number has to be agreed. In making this point industry leaders in a way threw the glove back to policy makers.

The industry leaders also made it clear that it is the public side that has to become an enabler of change. In pursuing an enabling environment Georg Kapsch of the Kapsch TrafficComm AG made it clear, that one of the major enabling points is the harmonization of legislation, with a focus on creating frameworks, rather than detailed laws. In his words: “What is right today may be wrong tomorrow – thus flexibility in the policies and solutions is necessary”.

The common themes of this session could be summarised as set clear and ambitious targets, do it in collaboration with other governments, industry and other stakeholders, think in terms of enabling frameworks rather than detailed prescriptive rules, and do it fast.

Ultimately, the key is achieving a change in the behaviour of people, change in the goods they buy and the transport solutions they use. This involves informing users on the impact of their choices and increasing the convenience of desirable solutions, and making undesirable solutions more expensive. The common conclusion was that we can have growth and sustainability at the same time and that the promises of the changes that are possible are realistic.

**Quotes**

“What is right today may be wrong tomorrow – thus flexibility in the policies and solutions is necessary”, Georg Kapsch, Kapsch TrafficComm AG

**Staff Contact:**

Mary Crass  
mary.crass@oecd.org  
Magdalena Olczak-Rancitelli  
magdalena.olczak@oecd.org
Georg Kapsch became CEO of Kapsch TrafficCom AG in 2002 and has been CEO of Kapsch Group since 2001. From 2012 he has been President of the Federation of Austrian Industries, having been President of the Vienna Regional Group of the Federation between 2008 and 2012. Between 2003 and 2008 he was Vice President of the Austrian Electrotechnical Association. Between 2002 and 2012 Kapsch was Chairman of both the Austrian Electronic Association between and the Vienna University of Applied Sciences "Technikum Wien".

In May 2012, Jean-Dominique Senard succeeded Michel Rollier as CEO of the Michelin Group, having been appointed Managing General Partner alongside Rollier in 2011. He joined Michelin in 2005 as Chief Financial Officer and a member of the Michelin Group Executive Council. As a member of Alcan’s Executive Committee, he was in charge of integrating Pechiney and served as Chairman of Pechiney SA. He was also head of Pechiney’s Primary Metal sector until 2004, having been Chief Financial Officer of Pechiney and a member of its Group Executive Council (1996-2001). He began his career in various financial and operational positions with Total and then Saint Gobain. Senard is a graduate of France’s HEC business school and also holds a Master’s Degree in Law.

Pat Cox has been President of the European Parliament Former Members’ Association (2010-2014), President of the European Movement International (2005-2011), a former President of the European Parliament (2002-2004), and Member of the European Parliament (1989-2004). Between 1998 and 2002 he was President of the European Liberal Democrat and Reform Party (ELDR) Group European Parliament. Prior to this Cox was a current affairs television broadcaster for RTE, Ireland’s national broadcaster, from 1982 to 1986 and Secretary General Progressive Democrat Party (Ireland) between 1986 and 1989.