MEP Briefing Notes on EU

TRANSPORT

Introduction

Of all the aspects of British life, transport seems to rank in the front row in terms of control by the European Union. Much of that influence is hidden in a plethora of technical regulations and directives which range from how tyres are labelled to canal boat engines. Indeed, since the Coalition Government was elected in 2010, the Department of Transport has transposed (passed into British law) no fewer than 72 EU directives and regulations at an undisclosed cost. However, the EU's control will soon become starkly obvious to the British voter as the scale of the EU's trillion euro transport ambitions become impossible to sweep under the carpet. Some of the planned programmes sound like a joke such as the 'Motorways of the Seas' but any humour vanishes with the news that this programme currently (2013) has a budget of eighty million Euros. There is also the EU's planned rail system which is planned with the straight lines that resemble a London Underground map but completely fails to acknowledge local environmental concerns or the price tag in the billions. Once Britain is free of the European Union, it will be free of the objectives and mammoth costs of this transport EU bureaucracy which has gone mad with the absence of proper oversight and accountability.

Control of British transport by the British Government and the British people is crucial to the country's prosperity and ability to compete. The transport sector is a major contributor to Britain's GDP – as well as being a major employer. For example, shipping has been a keen area of growth with the dynamic revival of the UK fleet which can be partly attributed to a sensible UK Government tax regime through the innovative tonnage tax. All told, shipping, ports and the maritime business and services sectors contribute some £31.7bn to UK GDP, support 537,500 UK jobs and provide £78.5bn in tax receipts to the UK exchequer.[1] Rail is another major part of the British economy with rail freight alone contributing £870 million to the economy with 34,000 employed directly by Network Rail and some 190,000 across the entire industry[2]. The aviation industry contributes £49.6 billion (3.6%) to UK GDP[3] and employs 921,000 jobs in the UK.[4]

However, the country's primary system of transport is its road system with over 700,000 jobs dependent on the car industry which also accounts for more than 10% of total UK exports (source – SMMT Position Paper - 17/1/2013 – Review of 2020 Specific Emissions Target and Modalities) . Of the total internal journeys made in Britain, 1.5% are by air, 8% by rail and the rest by road[5]. It is the EU's dream that by 2050, the Single Transport Area plan will have ushered in an era where cities are free of cars. It is a vision that President Barroso wants to back with fifty billion Euros.

Grandiose Plans and White Elephants

No discussion of the EU's interference with the UK's transport system can fail to begin without mentioning the EU Trans European Network (TEN-T). The current TEN-T budget runs from 2007 to 2013 and amounts to €8 billion. Multi-annual work programme for complex priority projects get 80% of the total budget whilst annual work programmes for one off projects get only 20% of the total budget.[6] TEN-T spans projects of all modes of transport: road, rail, maritime, inland waterways and air. In the financial period up to 2013, TEN-T was financing 342 projects at a cost of 7.3 billion Euros[7]

The UK is on the periphery of this transport programme. This is borne out by a detailed examination of the UK page of the TEN-T programme which was reviewed on the 7th February 2013[8]. The EU contribution to UK only projects was a dismal 76.75m Euros and a further Euro 56.77m was shared with one or more EU nations on a variety of sea, air and rail projects. Combined together, this comes to 1.83% of the total TEN-T budget for projects that actually have a practical purpose.

However, the UK also has a 'share' in the hundreds of millions of Euros which are devoted to such white elephants as the Galileo project whose total budget for the last financial period was 380 million Euros with an EU contribution of Euros 190 million. Then, there is another project which has the bureaucratically plausible title of Intelligent Transport System (ITS) or Easy Way whose first EU allocation was Euros 98 million (of a total budget of 497.86 million) and its second allocation was 100 million (of a total budget of over half a billion Euros). Regrettably, its definitive objectives are lost in a forest of Eurospeak which suggests that it has such a broad and ambitious remit that it stands the same poor chance of fruition as the infamous Galileo satellite system which is meant to rival (but doesn't) GPS. Indeed, ITS staff have reported that their programme incorporates a project called e-Call. This intelligent system will be on board EU28 cars and vans and will call the emergency services if it detects that the vehicle has been involved in a crash and give the location. Sounds useful even if one wonders how the technology will distinguish between a crash that requires the emergency services and one that only requires an exchange of insurance and contact details? Unfortunately, the service won't even reach 'break even' point until 2030 and held by UK experts not to be of value to the UK.[9] Last but not least, the EU has given Euros 200 million of an eventual 350 million (total budget Euros 700 million) to research for the European Air Management system which comes under the EU's Open Sky project.[10] The EU's 'open skies' programme is dealt with in greater detail in the airlines section of this document..

The EU asserts that 'the completion of the TEN-T network requires about €550 billion until 2020 out of which some € 215 billion can be referred to the removal of the main bottlenecks.'[11] The huge figures don't end there. An EU site noted that the 'Connecting Europe Facility will invest €31.7 billion to upgrade Europe's transport infrastructure. This includes €10 billion ring-fenced in the Cohesion Fund for transport projects in the cohesion countries (not including Britain), with the remaining 21.7 billion available for all Member States for investing in transport infrastructure.[12]

These colossal figures appear to be the tip of the EU transport iceberg. On the EU site, it confidently asserts 'the cost of EU infrastructure development to match the demand for transport has been estimated at over € 1.5 trillion for 2010-2030[13]

Once again, Britain is on the periphery of these grandiose plans but not when it comes to paying the bills. In 2011, an organisation called the UK Transport Lobby noted drily that 'the European Commission presented on the 29th June 2011 the EU's next seven year budget (2014-2020). On transport policy, the Commission established a new fund – "Connecting Europe Facility" with a total budget of 50bn Euros. The projects selected for this new fund is supposed to bring more interconnectivity across Europe. However, the member states that would mainly enjoy the funding are those that are on major core networks that can provide better access to the internal market, mainly based on the current TEN-T projects.' The lobby group goes on and notes that 'Reviewing the projects selected for the new Commission transport fund, it appears the U.K doesn't enjoy much of the new funding. The only project involving the U.K with a very small share of connectivity: European corridors Dublin-London-Paris-Brussels corridor (connecting Dublin – Belfast by rail and England multimodal connections including high speed line 2).'[14]

This is a dream of a Europe spanning Single Transport Area. The bureaucrats of Brussels even imagine how it will look like in the form of a fantasy tube map: You can find it on these respective pdfs. It is on page 24 of this one - http://www.europarl.be/ressource/static/files/Events_2012/presentatie-herald-ruijters-09.11.2012-cross-border-antwerpen.pdf and this document also has the fantasy tube map but on a white background. It can be found on the last page – http://ec.europa.eu/bepa/pdf/cef_brochure.pdf.

You can even build the system on their website in their SimTransport like feature which can be found here:
http://www.espo.be/index.php?option=com_content&view=article&id=322:commission-allocates-12-billion-to-key-ten-t-projects&catid=34:espo-news&Itemid=109 and there is an EU – TEN-T – interactive map on growth of network which can be found here:
http://ec.europa.eu/transport/infrastructure/tentec/tentec-portal/main.jsp

However, the lines on their map crisscross the continent far less go under a city's streets.

In this fantasy transport system, Britain's branch line will be HS2 as proved by an obscure EU document entitled 'Trans-European Transport Networks: The TEN-T Core Network: Country by Country – Entry for the UK'. It states:

'Inclusion of the major axis of UK in the comprehensive and core network, linking its main ports (notably Southampton and Felixstowe) with its many nodes. **Inclusion of HS-2 in the comprehensive network for the moment: the consultation process in the UK is ongoing and results will be known soon; for the moment, no inclusion in the core is therefore possible**.'[15]

The choice of the HS2 route would explain why an EU report observes that ' the UK is well advanced in implementing policy related to "**Building the Trans European Transport Network**" and "Improving Road Safety", while behind on "Promoting transport by sea and inland waterways" and "Adopting a policy on effective charging for transport".[16] (The effective charging for transport relates to road pricing will be dealt with later in this document).

The HS2 route was chosen by the Labour Government of 1997-2010 and has run into serious controversy as it fails to link with Heathrow, Crossrail and much of the UK's existing railway network and runs straight through the widest part of the ancient Chilterns landscape. It has recently been given the go-ahead by the Coalition Government (early 2013). The Bow Group points out the following in their report on the subject 'the UK requires a nationally planned high speed rail (HSR) network, integrated with the classic railway and directly connecting the country's major airports and city centres. France, the Netherlands, Belgium, Germany and other major economies all demonstrate the success of this intermodal approach. Heathrow Airport should be served by the direct HSR route as stated in the 2010 Conservative Manifesto. An integrated rail, road and airport interchange, bringing together HSR, Great Western Main Line and Crossrail services, follows global best practice and provides greater benefits at less cost than the current preferred Government proposal. Failing to directly connect to Heathrow in the first phase of HSR, and relying instead on the possibility of a spur in a future phase, would represent folly in Britain's ambition to develop a truly integrated transport policy. We estimate that incorporating Heathrow at a later date will cost the Taxpayer an additional £2.5bn.'[17] Moreover, the route chosen for HS2 bypasses England's entire East Coast (Anglia, North East, Humber area) and completely fails to meet the High Speed Rail access needs of Wales, the West Country and the South. In their report on the issue, the FSB believes that it will be a waste of the £32 billion expenditure. However, it is worth noting that it will serve as an ideal line for the EU's European Transport Network even though the London Euston terminus is a five minute walk from St Pancras and Eurostar.

General EU Burdens

The EU has also instituted various changes that have added millions of pounds to British transport costs. For example, the British Chamber of Commerce in their Burdens Barometer states that the EU's Fuel Quality Directive has a recurring cost for Britain of some £117m with a total cost by July 2010 of £653m alone. More on fuel quality such as sulphur content will be dealt with in the shipping section of this document. Added to this, was the EU's Young Workers Directive which puts tough limits on young people's working hours (bar ships). Essentially, young people aged 16 and 17 are restricted from working more than 40 hours a week or 8 hours a day. The Directive also prohibits some young workers from working at night between 10pm and 6am or between 11pm and 7am. In this Impact Assessment, the

UK Government feared that this would deter employers from hiring young people and thus deny them valuable apprenticeships. A House of Commons Library Report of the 23rd January 2013 (Cat No. - SN/EP/5871) bears this out as it found that the unemployment rate for 16/17 year olds was 36.7% whilst for 18-24 year olds, it was nearly half that at 18.4%. It is also estimated that this measure costs the country some £543m per year.

Rail

In their Fourth Railway Package which was announced on the 30th January 2013, the European Union seemed to open a door to a free market in rail – but in reality – it will allow state monopolies to remain in place so long as so called 'Chinese walls' separate the infrastructure managers from passenger services and rail freight. Recognising that such walls are a cosy pretence, the EU is also seeking to retain powers that will block subsidiaries of such state behemoths from operating in other markets if they have not implemented measures to ensure fair competition in their home market. It is a futile and naïve approach against insidious state control. This means that Germany will be free to retain the Deutsche Bahn (AKA the old British Rail as well as being the biggest train operator in Europe). Indeed, the Engineering and Technology Magazine noted that the decision to allow Germany to retain the Deutsche Bahn has led to an outcry from rail freight companies, who worry that incumbents will be able to dominate the market.[18] Put simply, British companies won't be able to compete with the financial resources, hidden state aid, technical know-how of huge players like the Deutsche Bahn. It will be a single market with very unfair competition. In such an environment, it is very feasible that the British railway network will go the same way as other sectors of the British economy such as energy (four of the big six energy companies - Scottish Power, EDF Energy, E.ON and npower[19] which are dominated by foreign (some state owned) players.[20] In essence, continuing membership of the EU will lose Britain all control over rail passengers and freight services in its network from December 2019. This is when EU liberalisation is due to go into effect and the foreign state rail monoliths come out, looking to build up their European empires.

Moreover, the fourth package will transfer the power of safety certification from the UK to the European railway agency. The EU claims that this will reduce costs for new operators and generating savings of up to €500m for the industry by 2025. Any knowledge of the EU would indicate that this is a pipe dream. Instead, Britain will lose the power to safeguard safety for itself – as per other sectors such as the UK air safety body CAA for example which has seen encroaching EU control. This will be dealt with later in the document.[21] In addition, the EU is also trying to slip more employment legislation onto Britain via the Fourth Package backdoor. This is because the Commission is seeking to allow Member States in requiring new contractors to take current workers on when public service contracts are transferred, so going beyond the general EU requirements on transfers of undertakings. It is clear that the EU Rail Single Market is being stacked against British companies which makes a mockery of Britain's own open market.[22] A free Britain will of course ensure that the UK franchise system is fair and foreign bidders aren't covertly helped by hidden subsidies.

Last but not least, the fourth rail package is based on false premises and basic errors in fact which makes a mockery of the whole plan. As Roberts Zile MEP, from the European Conservatives and Reformists points out, "Those parts of the European rail network with different gauge sizes, such as the Baltic States and Finland, have not been properly taken into account in the new proposals, both in regard to technical interoperability requirements and competition rules. The rail freight market is dominated by traffic to and from third countries – mainly Russia – and therefore the EU regulation should help EU companies to maintain a strong position in those rail markets, where they face specific competition, discriminatory rail tariffs and a lack of reciprocal market access with neighbouring third countries.[23]

Transport Control

In preparation for the High Speed and Conventional Trans-European Railway Network Transport Network, Network Rail is implementing the EU approved National Implementation Plan by installing ERTMS (European Rail Traffic Management System) – which is tried and tested according to Network Rail so even the EU can accomplish something. In 2013, the EU listed it with an indicative budget of 100million Euros[24]

One component of ERTMS, the European Train Control System (ETCS), guarantees a common standard that enables trains to cross national borders and enhances safety so it is an essential pre-requisite to the EU vision of a railway network spanning Europe – even though countries such as Finland have different gauges to the rest of the EU.[25] There are four components in all to ERTMS – consisting of The European Train Control System (ETCS), The Global System for Mobile – Railways (GSM-R), The European Traffic Management Layer (ETML) and The European Operational Rules (EOR)[26]

The first major implementation of ERTMS starts in 2017 on the Great Western line and will be complete in 2038. It will cover 72% of the UK rail infrastructure and covers the entire UK TEN-Ts network[27]

Roads

Hauliers

One of the most challenging issues facing the haulage industry in particular is the issue of drivers' hours. Under the EU's Road Transport directive and

Regulation 561/2006 which limits drivers' hours to nine, both require a separate set of documents to be maintained in order to comply with the EU-inspired law. The full cost of the directive to Britain has been some two billion pounds (2010). Once Britain is free of the European Union's employment laws such as the Road Transport Directive and the Young Workers Directive, it will be able to set its own laws which ensure road safety and preserve the haulage industry's (and other transport sectors') competitiveness.

The EU Transport Commissioner is also keen to relax the 2009 rules on cabotage which refers to rules forbidding foreign hauliers from taking on certain haulage jobs within another country. Indeed, the new rules which are due to be introduced in 2014, will give foreign hauliers unlimited access to UK markets. As overseas hauliers use cheaper fuel and unregulated labour, particularly from Eastern Europe, it is feared that British companies won't be able to compete. Truckers World reported that if the rules are relaxed as intended, it will cost the British economy an estimated £165 million and cause hundreds of small hauliers to close. Until now, EU rules, known as 'cabotage', have allowed foreign hauliers to take on 'irregular' and 'infrequent' work within the UK. They are banned from securing formal haulage deals with a British company.[28]

If Britain were out of the European Union, current rules on cabotage will be retained to protect the local industry from unfair foreign competition. It should be noted that road freight transport is big business in the EU, accounting for around 3 million jobs in about 600,000 enterprises. Road is also responsible for the lion's share of all transport: almost three quarters of all inland transport activities in the EU.[29]

The EU has also introduced 'Driver Certificate of Professional Competence' which requires all drivers to undertake further training and pass tests. With an ageing workforce, the UK haulage industry fears that drivers with long experience and nearing retirement, will simply quit the job when the rules become law in 2014 and result in a serious staff shortage. A free Britain will resume control over Britain's driving licences and return to its own sensible safety standards. In this way, such a crisis will be averted rather than blundered into as seems to be the EU way.

Fuel and Road Pricing

Fuel is costly to British hauliers because of both the British Government taxes and the EU's pollution controls. Indeed in October 2012, 'Business Insider' magazine reported that fuel now represents one third of hauliers' costs. [30]

The British Chamber of Commerce estimate that the EU's Emission standards for new heavy-duty vehicles introduced in 2006 have a recurring annual cost of some £16m and total cost by July 2010 of some £43m. This followed the EU's 'The Vehicle Excise Duty (Reduced Pollution) (Amendment) Regulations 2000 (EU Pollution Directive 98/69/EC)'. This particular directive cost £10m initially and have had a recurring annual cost of £1.2 billion. The total cost by July 2010 was some £10.4 billion[31]

Fuel prices in the UK are amongst the highest in the European Union but the roads are free. On the continent, fuel is cheap but many of the motorways are tolls roads which all vehicles are obliged to pay to use. Foreign hauliers thus stock up on fuel on the continent and drive free on British roads. UK hauliers pay a heavy price for fuel in the UK (in some cases nearly double that of countries such as Luxembourg) and then have to pay for the use of foreign roads. In order to work within the restrictive EU rules, the UK Government is currently drawing up legislative plans which will introduce road pricing to UK's roads as this option is permitted by the EU. Under the scheme, British hauliers will pay first once the scheme is introduced in 2014 with foreign lorries paying from 2015 onwards.

Whilst this will introduce a level playing field for UK hauliers, the AA fears that this is the short end of the stick as the first step to all motorists being charged for road use. If so, it will mean the end of a historic British freedom as there are currently very few toll roads and bridges in the UK.[32] It must be noted that whilst UK hauliers do favour road pricing (and accompanying cuts to other taxes), they are concerned that road charges will have a sliding timescale (e.g. higher charges for peak hours) as this is essentially a tax on congestion – which is not caused by the road user but by poor National and Local Government planning. Needless to say, it will be the consumer and the haulage customer who will have to pay the extra costs. If the costs weren't passed on, the European haulage association (UETR) points out that there is normally limited loading and unloading hours at pickup and drop off points and very little leeway in extending those hours. Consequently, a lorry would have to wait hours before it can be loaded or unloaded in order to avoid traffic congestion (and the extra charges).

Western European drivers have to be paid for these waiting hours whilst companies from new EU member countries generally don't pay for their drivers' downtime. Ironically, therefore, road pricing could hurt British haulage companies as much as it benefits them. It should also be noted that an RAC Foundation report found in 2011 that the likely cost of setting up and running a road pricing system will be £4.5 billion[33] The system itself could involve a Big Brother element as it may only function with the use of car tags or satellite surveillance which would be a further erosion of British civil liberties. However, if Britain is free of the EU, it will be able to impose tolls at British ports for foreign hauliers in lieu of the fact that these foreign hauliers generally don't pay UK Fuel Duty which gives them an unfair competitive advantage. In this way, Britain could ensure a fair playing field and preserve the British right to an open road – free of barriers and tolls.

The EU also seeks to involve itself in the minutiae of health and safety as part of its zealous drive towards harmonisation. In 2009, the EU imposed the Retrofitting of Mirrors to Increase the Field of Indirect Vision (Blind Spot) of Goods Vehicles directive. According to the British Chamber of Commerce, this had an initial cost of £63m with a recurring cost £1m. By July 2010, the total cost came to £64m and could reach £67million by July 2013. Moreover, the EU have also introduced in the last decade, the Carriage of Dangerous

Goods & Use of Transportable Pressure Equipment Regulations. The initial cost was £44m with recurring costs estimated to be £5m. By July 2010, the total was £225m and still rising.

According to the HSE, these amending regulations followed the Transportable Pressure Equipment Directive (TPED) which came into force on the 1st July 2001. It sought to enhance safety with the transport of these dangerous goods by road and rail in transportable pressure equipment. The HSE notes drily that the 'EU regulations and the European agreement ("Accord européen relatif au transport international des marchandises dangereuses par route", known as ADR) which together regulate the carriage of dangerous goods by road are **highly prescriptive'**. In addition, the HSE noted that in their research, the risks are minimal and 'equivalent to an annual event causing no more than one fatality and several injuries each year'.

Moreover, the LP Gas Association (LPGA) estimate that whilst, there are around 18 million transportable LPG cylinders of various types) in circulation at any one time, the vast majority of these are used exclusively for domestic carriage.[34] In other words, the EU has acted in a draconian manner when member state safety agencies like the HSE had the matter well in hand and indeed the problem is largely one of transport within a member state. It should thus be the member states' responsibility. It is quite simply another EU power grab that should be reversed as soon as Britain recovers its independence.

Cars

In 2008, the EU imposed the Euro 5 & 6 Light Duty Vehicle Emission Standards on the British car industry. According to the British Chamber of Commerce Burdens Barometer, this has the recurring cost of £989m with an estimated total cost by July 2010 of £1.48 billion by July 2010. Euro 6 is set to be introduced in September 2014 for new models (January 2015 for all models), which entail notable reductions in emission levels for light-duty vehicles.[35]

However, the EU is not satisfied for as the Guardian reports in June 2012, the EU wants 'carmakers to slash the carbon emissions of new cars sold in Europe by a third by 2020, according to leaked European Commission documents.'

Essentially, the EU wants to cut car emissions from the current 140g CO_2/km to 130 by 2015 with the eventual goal of 95g by 2020. Car makers who fail to comply could face heavy fines of £76 for every gram over target per vehicle.[36]

However, the Guardian article notes that the 2020 targets will only be possible if hybrid and electric cars have become mainstream. If these 2020 emissions measures go ahead as stated, it could therefore have a devastating impact on the UK's car industry which is already having to cope with the twin demands of the economic crisis and foreign competition. This is because SMMT argue that such measures massively raise research costs and require production lines to be adapted. The 2020 measure could become EU law later this year (2013) as it now under discussion between the Commission and the EU Parliament. Indeed, the Guardian reports that the EU says that is 'desirable' that even stricter emissions targets for 2025 and then 2030 should be set towards the end of 2014. However, the car makers lobby (SMMT) states baldly that 2017 is the earliest when new targets could be adopted as even the current targets for 2020 are 'very ambitious'.[37]

It is a similar picture with the EU's light van regulations (New Van CO_2 Regulation (EC) No.510/2011) which calls for 147g/km CO_2 target which again is 'very ambitious' to the SMMT. In their policy document of January 2013, the SMMT points out that 'the CO_2 saving potential for LCVs is limited with conventional technology, as about 99% of the fleet is already equipped with diesel engines.' As the SMMT bleakly points out 'Technology cannot be simply migrated from cars to vans which have in any case longer development times than cars.' Last but not least, the SMMT noted that 'EU van registrations fell 30% in 2009 and have now been falling for five consecutive years.[38]

It is clear that the EU has imposed virtually impossible deadlines on the European van industry which it simply cannot meet without the expenditure of vast resources. A free Britain would seek a fair compromise and workable deadlines that will ensure that the British van industry flourishes in markets across the world and doesn't waste resources on impossible emissions targets research and development that would be better devoted to developing new models and overcoming fierce international competition.

The EU's obsession with the minutiae of harmonisation also extends to car air conditioning systems and bumpers. The British Chamber of Commerce estimates that the Motor Vehicles (EC Type Approval) (Amendment No.2) Regulations had by July 2010 cost the UK £43m. The full cost of these endless amendments can only be guessed at but the costs are more of a drag on the UK's car and van industry. It is rather ironic to note therefore that the Department of Transport on their website claims that the EU is trying to simplify its regulations for the international market (See Box).

'The EU is simplifying and harmonising requirements to facilitate the individual approval of vehicles imported from and exported to third countries.' Department of Transport.[39] However, this is because as the Department note, 'Vehicle manufacturers increasingly opt for type approval through the global technical harmonisation of regulations relating to motor vehicles under the UN/ECE 1958 and 1998 agreements. This is because UNECE (United Nations Economic Community for Europe) approval allows access to markets outside the EU - e.g. Russia, South Africa and Japan. This trend made a number of EC Directives in the parallel vehicle type approval system redundant.' This raises the important question of whether the EU is now being steadily side-lined in international technical harmonisation and by extension product testing. If so, the membership of the EU becomes an expensive waste of time as the right to influence product technical standards was identified by Katinka Barysch of Centre for European Reform on the 12th December 2012 BBC2 Newsnight programme as a key incentive for the UK to remain a member of the European Union.

It is clear that for an independent British Government, the simplest and cheapest way to achieve international simplification and harmonisation is for the UK to work with truly global organisations such as the WTO or the UN and bypass the EU sideshow whose market is on the decline.

The irony of the Department of Transport claim that the EU is simplifying regulation is seen by the latest EU measure which is now being debated in Brussels (correct at the time of writing). This is the EU Commission proposal for a Directive on roadworthiness testing for motor vehicles and their trailers (Roadworthiness Package published in July 2012). In their report on the subject which was published in August 2012, the SMMT summed it up thus 'periodic roadworthiness tests (known in the UK as MOTs); technical roadside inspections; and vehicle registration. The proposal seeks to increase the standards, stringency and harmonisation of testing across EU Members States.' According to the SMMT, the proposal will fundamentally change the UK's effective MOT system with a new regime that is complex, difficult and costly. In other parts of the document, words and phrases such as 'unachievable' and 'adverse effects….on safety' and the sense that the new regulations ignore reality stand out in a long table of concerns. In their analysis of the measure, the UK Government has identified costs of over €1 billion without any discernable benefit in road safety.[40] If the EU have their way, road safety in the UK will be severely affected and inspection/testing costs will sky rocket. Naturally, the UK should retain their own proven system and ensure routine road inspections to catch both home and foreign cars that are unfit for the roads.

Then, there is the question of the EU's Gender Directive. The UK Government's Impact Assessment found that women drivers will see their premiums increase by 25% and the report stated that the impact could risk road safety as low risk drivers – faced with higher premiums – fail to renew their insurance. Furthermore, the report noted that whilst young male drivers may see a reduction, the fact that motor insurance is currently loss making will probably ensure that all drivers will pay the 'male' rate for their motor insurance under the new laws. Both sexes will lose out in other ways under this directive such as their pensions and life insurance) which will be dealt in other briefing documents.[41]

In an independent Britain, the market should be allowed to reward safe drivers without paying court to political correctness. It distorts the market without gain for anyone and even threatens road safety as more drivers break the law and drive without insurance. Such laws should be overturned immediately by a Britain free of the EU's PC obsession. As a sidebar, the SMMT want Britain to stop allowing foreign driving instructors from operating in the UK (Motor Cars (Driving Instruction) (Admission of Community Licence Holders) Regulations 1999). This is because they believe that there are insufficient controls in place to determine their fitness for the job.[42] Whilst the SMMT do not point to any deaths or injuries, it is clearly another example of EU employment legislation endangering British citizens for the sake of open borders. The independent British Government should act immediately on the SMMT's warning and introduce controls that ensure that all driving instructors in the UK are competent and safe.

Then, there is the question of UK taxpayers' money being used by the EU to invest in production abroad which ultimately helps to close rival British manufacturing plants. In November 2012, it was reported by the Express that the European Investment Bank (EIB) had loaned £80 million in June 2012 to Ford Otosan to upgrade its Kocaeli facility in Turkey to build the new Transit van. Shortly afterwards, in October 2012, Ford closed its Fort Transit manufacturing plant in Southampton with the loss of 500 jobs. What makes the decision galling, is the fact that Britain which holds 16% of EIB 'shares', committed £1.28 billion to the bank in June 2012 in order to help increase its lending. In an independent Britain, taxpayers' money will be used to back British plants and economic interests rather than help provide companies with the means to take jobs and production overseas.[43]

Then, there are EU laws on replacement of vehicles (2005) which the British Chamber of Commerce estimates has a recurring cost of £75m yearly with a total cost by July 2010 of £331m to the UK and the British car industry. This imposes EU rules on the manufacture of vehicles and their recycling with the introduction of such innovations as the grandly named Certificate of Destruction. It is an intriguing prospect that the EU should apply such a Certificate to many of its own needless directives and regulations.

The EU website states that from January 19th 2013, all new driving licences issued across the EU will be in the form of a plastic "credit card," with a standard European format and tougher security protection under the 3rd Directive.[44] However, the EU's reforms especially in regard to motorcycles have cost the British taxpayer £71 million in order to build 66 new off-road test centres. This is because the 2nd Directive which came into force in 2009 included manoeuvres that can't legally be done on British roads, such as an emergency stop at 50km per hour (31mph in imperial) and breaking the 30mph limit in built up areas. It also required 'off-road' manoeuvres that can't legally be done on British roads. Suzuki Slip Stream magazine noted how the DSA complied fully with the Directive: "The EU has decreed - and the DSA has embraced that decree fully - that the extra part of the test will contain a set of more demanding manoeuvres, at least two of which will be carried out at low speed, including a slalom course."

The 3rd Directive increases the minimum age of motorcyclists from 21 to 24 for the most powerful motorbikes, and institutes a new formal test for younger motorcyclists wishing to progress more powerful machines. Currently, unlimited access to all motorcycles is gained automatically after two years' experience on less powerful machines). Motorcycle.co.uk predicts that the changes will "all get very expensive and difficult. It's forecast that the ultimate reduction in the number of new riders going through the new [licensing] system will be as much as 60%".[45] Patently, the UK should return to its own system and recognise foreign licences where appropriate.

Last but not least, car enthusiasts should be aware of a new threat in the air. There was an abortive plan by the EU in 2012 to ban modifications to vehicles which the UK Government managed to block (for now!). There is also the possibility that the EU is now trying to reintroduce super 70 tonne lorries to British roads which will have a devastating impact on the nation's roads and bridges. A free Britain will of course, ensure that such lorries remain permanently banned and an individual's right to modify his car should always be permitted within the confines of UK safety laws.

Airlines

On their website, the EU claims that 'Over the last 30 years, the European Union has created the world's largest and most successful example of regional market integration and liberalisation in air transport.' Regardless of the accuracy of this claim, the EU's international record in aviation leaves much to be desired.[46]

The EU's so-called 'open skies' or External Aviation Policy is a similar patchwork of agreements as their Free Trade Agreements. Deals with major nations such as Australia, Russia and China are still under negotiation and there is only a limited agreement in place with Japan (correct as of February 2013).[47] This state of affairs is not helped by the EU acting arrogantly and unilaterally which has angered the United States and China for example.

On the fuel emissions issue for example, the EU imposed a catch all law on all airlines which used EU airspace. In 2012, the Bird and Bird Aviation Briefing reported that. 'As of 1 January 2012, all aircraft operators of flights to and from or between airports in the EU are subject to the EU ETS' (European Trading System for greenhouse gas emissions or Carbon Trading). In effect, this will force foreign airline companies to buy enough carbon allowances to cover their emissions or face heavy fines.[48] The Briefing noted that 'On 20 June 2012, the Commission announced that it had activated the single EU registry for all users, marking a "milestone" in establishing the infrastructure required for Phase 3 of – and the inclusion of aviation in – the (Carbon) trading system.' This was in spite of the fact that there had been great concern in the EU member states that non-EU airlines wouldn't have complied and EU operators would have been 'disproportionately burdened'. However, just eight Chinese and two Indian carriers failed to comply with the requirement to submit carbon emissions data for 2011, with more than 1,200 carriers complying with the reporting requirements.' However, the EU arrogance could have serious implications for the EU aerospace industry. Bird and Bird reported that 'Chinese airlines putting on hold – and their government refusing permission for – commercial deals to purchase new aircraft from European manufacturers. This in turn prompted nine leading EU aerospace manufacturers and airlines (including Airbus and British Airways) to write to European political leaders urging them to delay enforcement of the EU ETS until a global solution within the framework of the International Civil

Aviation Organisation (ICAO) is found. However, the Commission insisted that the EU ETS stands.'[49] Needless to say, on its own, Britain could ignore EU rulings and work within ICAO standards rather than kowtowing to the EU's whose obsession with rule making threatens the British aerospace and airline industry rather than enabling it.

In 2004, the EU took over air traffic management (ATM) and the decision making procedure moved away from intergovernmental negotiations to the EU bureaucracy. The EU has now declared the 'Single European Sky'. Under this one Sky, the EU has created a programme called SESAR project (formerly known as SESAME) which is the European air traffic control infrastructure modernisation project. The budget is a staggering 2.1billion Euros of which 700 million Euros is provided by the EU and a further 700 million Euros by Eurocontrol (European Organisation for the Safety of Air Navigation made up of 39 nations (EU28 and such nations as Turkey and the Ukraine) and the rest (700m Euros) by private industry.[50] In other words, the EU is providing most of the funding for another project whose ambitions and budget could spiral out of control. An independent Britain would be well advised to withdraw from such a project and seek to co-operate with other nations such as the US which has a successful record in developing successful navigation systems such as GPS.

As part of its drive for harmonisation and state control, the EU has passed Annexes to the regulations 1178/2011 and 290/2012 which are together known as the 'Aircrew Regulation'. In the Regulation Annex I, there is a section called 'Part-Flight Crew Licensing' (Part-FCL). These are the requirements that must be met to obtain and maintain a European licence and from the 7th April 2015, UK gilder pilots flying EASA aircraft must obtain that licence to continue flying. This measure was introduced in spite of the fact that UK Glider pilots had an excellent safety record and a CAA recognised GPL (Gilder Pilot licence) which was issued by the British Gliding Association (BGA). This is because the sport was regulated with a light touch by the CAA which recognised the professionalism of the sport's ruling body. The EU did not and now a completely unnecessary and expensive rule was introduced that an independent Britain should abolish forthwith.[51]

Package Travel

The Package Travel Directive is a prime example of the failure of the EU to live up to its promises to its citizens. The travel trade association (ABTA) point out that the EU regulates in some parts of the market but not others. The rules were first written in 1990 when online bookings and low cost airlines were a thing of the future. Now, the biggest growth is with these two sectors of the travel industry. This means that only a third of British holidays are covered by the protection of the regulations but the British consumer expects everything to be covered under ATOL. In a House of Commons report of 2012, it noted that the EU had instituted a new Directive (adopted 10th October 2011) that actually provides different levels of protection between those who booked a package holiday and those who booked their airline seats directly from the carrier. The report went on to say that the Commission was looking at the issue but the new directive wouldn't be passed into UK law until 2014.[52] In the report, it stated that the UK Government would be seeking to act faster than this in order to address ATOL's finances and the harmful impact on consumers. However, the real question is why did the UK Government allow its authority to be supplanted by the EU whose flawed directives clearly fail to protect a large number of British consumers? An independent Britain should never allow such a situation to develop again by passing responsibility to an organisation whose 'law making' is consistently aganist the interests of Britain and its citizens.

Canals and Waterways

It is no exaggeration to state that every aspect of transport is under control of the EU. For example, the EU has introduced the River Information Services (RIS), involving traffic management infrastructure on the inland waterway network. It has an indicative budget of €10 million which is rather puzzling when you consider that rivers and canals have been used for the transport of goods for centuries and have thus developed well established navigation and management systems.

Moreover, the EU has also imposed emission standards on inland waterway diesel vessels through the EU's Stage IIIA standards for non-road diesel engines. Even here, the EU makes life complicated with emission standards varying according to the engine's displacement per cylinder.[53] This is covered by the Recreational Craft Directive which covers boat manufacturing and the requisite safety and emissions standards.

The UK's Canal River Trust reported in November 2012 that a Dutch MEP wants to harmonise water craft licences or technical checks. The Trust states on their website that such a suggestion would be very costly and introduce the idea of compulsory driving-type licences for boaters, compulsory checks on boats and threaten the supply of red diesel.[54] An independent Britain would ensure that such excessive rules will be abolished and red tape kept to a minimum. British citizens have the right to enjoy their free time and boating should not become synonymous with forms.

Shipping

Shipping is of huge importance to the UK economy as it moves 95% of the UK's international trade, and carries 35 million passengers a year. Yet, it is very vulnerable to regulations introduced by the EU. Indeed, in their Annual Dinner on the 4th February 2013, the President of the UK Chamber of Shipping Helen Heeble said that the 'EU's relentless tendency to over-regulate can often create burden without benefit.'[55] Nowhere is this more true than the EU's planned introduction of new rules on sulphur in fuel. The new directive was approved by the EU Parliament in September 2012[56] with a cut to a sulphur content of 0.1% by 2015. Surprisingly, the impetus comes not from the Commission but the International Maritime Organization (IMO) which has adopted new regulations to greatly reduce the amount of sulphur emitted from ships in Emission Control Areas (ECAs) – read North Sea Emissions

Area which comprises the North Sea and the English Channel. This change will increase fuel costs up to 87% for ships operating off the southern and eastern coasts of the UK. In other words, all the ports between Falmouth and Aberdeen and at least 220 regular routes directly affected and hundreds more affected for a part of the voyage. Many freight and passenger shipping companies could be forced to close routes or go out of business if they are forced to rely on very low sulphur fuel which is extremely expensive. For example, a Cross channel ferry operator estimates that 55 million Euros will be added to their annual fuel bill. Huge rises in fuel will have a knock on effect on prices of sea transportation. Freight haulage companies which already work on slender profit margins may have to go by road via cheaper Channel routes than longer sea routes. This will hit such ports such as Newcastle and Teesport especially hard as long sea routes are closed. In turn, this will hit all the businesses which rely on such routes and ports to transport their goods. A map of the North Sea Emissions Area can be found on page 5 of the Maritime UK publication entitled: Sulphur Regulations: Bad for jobs….and the environment'.

Whilst any attempt to reduce sulphur emissions is laudable, the consequence of treating standard marine oil to remove its sulphur content is that an extra 12 million tonnes of CO_2 will be emitted into the atmosphere every year in Europe alone. Road freight currently emits around 10 times as much CO_2, per tonne, as shipping. It is estimated for every route closed as a consequence of these regulations, 40,000 tonnes of CO_2 will be added every year as a result of this predicted shift from sea to road. The EU has made the IMO decision worse. By making it a matter for an EU directive, the European Union bureaucracy has prevented member states from negotiating directly with the IMO for a delay or a derogation. Norway which is also bound by the IMO rules, can apply for such measures and thus seek to offset the damage done to their shipping industry by the introduction of this measure. Needless to say, the UK's freedom of action is severely restricted and it can only seek minor changes to the EU's new law.[1]

Despite introducing fuel measures which will cripple the UK (and other countries such as Finland) shipping industry, the EU bureaucrats have devised the 'Motorways of the Sea (MoS)' programme which will seek to provide 'viable alternatives for congested roads by shifting freight to sea routes. This initiative has an indicative budget of some €80 million but presumably these 'motorways' will be free of any traffic as customers switch to road and rail with the consequent damage to the environment. Indeed, the World Maritime News notes that shipping is the most carbon-efficient mode of mass-transport. For every unit of freight transported per kilometre it produces: half the carbon emissions of rail, one fifth compared to road and 500 times less when compared to air freight. It is 47 times more carbon efficient that one of the best known low carbon cars. An independent Britain would be in a position to defend its shipping industry and institute a transport policy which is actually environmentally friendly rather than the disastrous incompetence of the EU which places unrealistic burdens on industry and actually worsens problems rather than alleviating them.[57]

1

Ports

It should be noted that UK Ports are currently thriving but this is not thanks to the EU which has had two directives on port services voted out by the European Parliament. However, the EU has now revived the issue. On 21st November 2012, Chairman Charles Hammond of UK Major Ports Group warned the Government that 'We had thought that after 2 botched attempts to introduce regulation into the operation of port services, the Commission had sensibly decided to leave well alone and concentrate on properly applying the general rules of the EU Treaty to ports' but he noted that the Commission are known to be looking again at port service regulations' He urged Brussels to 'concentrate on your existing role to ensure a level playing field and do not put productivity and investment at risk by introducing complicated and unnecessary bureaucracy' and he also lambasted the fact that 'northern continental ports we compete with benefit from generous subsidy while UK ports do not.'[58] This is because the UK ports industry is largely run by private companies whilst European ports have 'publicly owned port authorities and private sector cargo handlers.' It is another example of invidious state aid which the EU is supposed to stamp out and patently does not.[59]

It should be noted that Britain has much to lose if the EU does impose crippling bureaucracy. The UK ports industry is the largest in Europe, in terms of total tonnage handled (560 million tonnes a year) and annual international passenger throughput is about 30 million. Moreover, It is estimated that some 130,000 people are directly employed in the UK ports industry.[60]

In other words, the EU has failed to protect British ports from unfair EU27 competition and that an independent Britain should take the proper powers to level the playing field.

Conclusion

As a net contributor to the EU of some £12.2 billion per year (2013), this means that the UK is – and will continue to be under the new budget (2014-2020) - subsidising the construction and improvement of motorways, ports, airports, waterways of other EU countries – at a time when UK Government departmental budgets are being slashed back to deal with the debt crisis. Much of the EU's plans put Britain on the periphery of Europe with most of the economic benefit to be reserved to the core of the EU - in other words, countries such as Germany, France, Italy, Belgium, Netherlands and Luxembourg. Needless to say, Britain will be forced to pay a huge proportion of these plans and the infrastructure 'white elephants' such as SESAR which are needed to make the plans work in practice.

However, the UK contribution to the EU's 'Single Transport Area' madness would be much better spent by the UK Government on transport investment for a fully integrated and upgraded UK transport system of road, rail, air and sea which serves the entire country. There should be a programme of rail freight investment so integrating the seaports with high speed rail and toll free motorways. In this way, goods will reach the key distribution centres quickly and efficiently. High speed rail lines should be built to serve such cities as Cardiff, Newcastle, Exeter and Norwich which are neglected by the current HS2 plan. In this way, road congestion will be eased as a more sensible balance between the various modes of transport is established. Journey times and transport costs for both goods and passengers will be reduced. In this way, North and South, East and West can be brought closer to together with a transport system that is appropriate for a modern forward thinking and prosperous 21st century British economy.

REFERENCES

[1] http://www.ukchamberofshipping.com/information/
[2] http://www.networkrail.co.uk/aspx/10439.aspx and Transport: A Better Railway for a Better Britain – Network Rail report – January 2013 and http://www.stagecoach.com/~/media/Files/S/Stagecoach-Group/Attachments/pdf/rail-industry-faqs.pdf). and http://www.niassembly.gov.uk/Documents/Finance/Air-Passenger-Duty/Written-Submissions/Oxford-Economics-Economic-Benefits-from-Air-Transport-in-UK.pdf
[3] http://www.niassembly.gov.uk/Documents/Finance/Air-Passenger-Duty/Written-Submissions/Oxford-Economics-Economic-Benefits-from-Air-Transport-in-UK.pdf
[4] http://www.niassembly.gov.uk/Documents/Finance/Air-Passenger-Duty/Written-Submissions/Oxford-Economics-Economic-Benefits-from-Air-Transport-in-UK.pdf
[5] Department of Transport statistics http://www.railway-technical.com/statistics.shtml
[6] https://www.gov.uk/government/publications/trans-european-network-transport-ten-t-programme
[7] http://tentea.ec.europa.eu/en/ten-t_projects/
[8] http://tentea.ec.europa.eu/en/ten-t_projects/ten-t_projects_by_country/united_kingdom.htm
[9] PPT - EU ITS Directive – Update Neal Skelton Head of Professional Services
[10] http://tentea.ec.europa.eu/en/ten-t_projects/ten-t_projects_by_country/united_kingdom.htm
[11] http://ec.europa.eu/transport/themes/infrastructure/index_en.htm
[12] http://europa.eu/rapid/press-release_IP-11-1200_en.htm
[13] Herald Ruijters, Head of Unit for Trans European Network, DG Mobility and Transport - Argued in Cross Border Forum in Antwerp in November 2012 that •€1.5 trillion of investment needs by 2030 – http://www.europarl.be/ressource/static/files/Events_2012/presentatie-herald-ruijters-09.11.2012
[14] http://www.uktie.eu/budget-2014-2020/
[15] http://ec.europa.eu/transport/themes/infrastructure/connecting/doc/revision/background-country.pdf
[16]http://ec.europa.eu/transport/themes/infrastructure/doc/2009_intermediate_report_dg_regio.pdf
[17] http://www.bowgroup.org/policy/bow-group-questions-government%E2%80%99s-handling-hs2
[18] http://eandt.theiet.org/blog/blogpost.cfm?threadid=50652&catid=386
[19] http://www.mirror.co.uk/news/uk-news/foreign-owned-energy-firms-hit-uk-86677
[20] http://www.dailymail.co.uk/news/article-2130221/Britain-sale-How-long-foreign-power-turns-Britains-lights.html
[21] http://www.railjournal.com/index.php/policy/ec-unveils-draft-fourth-railway-package.html?channel=642
[22] http://www.eubusiness.com/topics/transport/rail-package-4
[23] http://www.publicserviceeurope.com/article/3022/eu-proposes-reforms-to-stagnant-rail-sector
[24] http://tentea.ec.europa.eu/en/news__events/newsroom/commission_releases_over_%258012_billion_to_fund_key_ten-t_projects_02.htm
[25] http://www.networkrail.co.uk/aspx/12275.aspx
[26] http://www.networkrailmediacentre.co.uk/News-Releases/7306/ERTMS-train-for-Hertford-National-Integration-Facility-takes-shape
[27] http://ec.europa.eu/transport/modes/rail/interoperability/ertms/doc/edp/national_deployment_plans/united_kingdom_ndp.pdf
[28] http://www.truckersworld.co.uk/html_template/foreign%20law.htm
[29] http://europeantransportforum.eu/component/content/article/2-transport-efficiency/158-road-haulage-rules.html
[30] http://www.business7.co.uk/insider-magazine/latest-news/2012/10/18/logistics-hauliers-battle-rising-costs-106408-23933954/
[31] Britain and Europe: a new Relationship, Ruth Lea and Brian Binley MP http://dl.dropboxusercontent.com/u/20105070/Global%20Vision%20Paper%20LR.pdf see Appendices
[32] http://www.bbc.co.uk/news/uk-19614862
[33] http://www.racfoundation.org/assets/rac_foundation/content/downloadables/the%20acceptability%20of%20road%20pricing%20-%20walker%20-%20main%20report%20%28may%2011%29.pdf
[34] http://www.hse.gov.uk/ria/equipmet/tp-vess.htm
[35] http://www.integer-research.com/legislation/europe-russia/
[36] http://www.guardian.co.uk/environment/2012/jun/07/new-cars-europe-carbon-emissions-limit) and July 2012 - http://www.guardian.co.uk/environment/2012/jul/11/new-cars-europe-carbon-emissions
[37] New Car CO2 Regulation (EC) No. 443/2009) NEW CAR CO2 REGULATION (EC) NO. 443/2009 - SMMT position paper (17 January 2013). *(* - See Footnote)*
[38] New Van CO2 Regulation (EC) No. 510/2011 – Review of 2020 Specific Emissions Target and Modalities – SMMT position paper (17 January 2013)
[39] https://www.gov.uk/automotive-import-and-export-regulations
[40] Britain and Europe: a new Relationship, Ruth Lea and Brian Binley MP http://dl.dropboxusercontent.com/u/20105070/Global%20Vision%20Paper%20LR.pdf See *EU Transport Council 29 October 2012 – entry by Minister*
[41] http://www.legislation.gov.uk/uksi/2012/2992/pdfs/uksieia_20122992_en.pdf

[42] SMMT response to the UK Government's Red Tape Challenge on Road Transport Paper published 16 th June 2011
[43] http://www.express.co.uk/news/uk/356168/Taxpayers-cash-helps-shut-van-factory
[44] http://ec.europa.eu/transport/index_en.htm
[45] http://www.dcbmep.org/documents/The%20EU%202nd%20and%203rd%20Directive%20on%20Driving%20Licences%2091.pdf
[46] http://ec.europa.eu/transport/modes/air/international_aviation/index_en.htm
[47] http://ec.europa.eu/transport/modes/air/international_aviation/country_index/index_en.htm
[48] http://ec.europa.eu/clima/policies/ets/index_en.htm
[49] http://www.twobirds.com/English/News/Documents/Aviation_Briefing_EU_Emissions_Trading_System.htm
[50] http://www.sesarju.eu/about/funding and http://ec.europa.eu/transport/modes/air/sesar/doc/2010_the_future_of_flying_en.pdf and http://ec.europa.eu/transport/modes/air/single_european_sky/ and Eurocontrol ref - http://www.eurocontrol.int/content/about-us
[51] http://www.gliding.co.uk/bgainfo/licensing/easalicensing.htm
[52] House of Commons Library report - SN/HA/6040 – 24th April 2012
[53] http://www.integer-research.com/legislation/europe-russia/
[54] http://canalrivertrust.org.uk/news-and-views/news/say-no-to-eu-red-tape
[55] http://www.ukchamberofshipping.com/news/2013/02/05/uk-chamber-president-comments-eu-membership/)
[56] http://www.ukchamberofshipping.com/news/2013/02/05/uk-chamber-president-comments-eu-membership/)
[57] world maritime news - http://worldmaritimenews.com/archives/45722
[58] http://www.ukmajorports.org.uk/pages/chair-s-speech-2012
[59] British Ports Association -http://www.britishports.org.uk/sites/default/files/britishports_-_2012_red_book.pdf
[60] http://www.ukmajorports.org.uk/pages/industry-profile