

## 6. Surface Transportation [116]

### Commitment

“develop programs in our respective countries, consistent with national circumstances, to provide incentives for consumers to adopt efficient vehicles, including clean diesels and hybrids; and introduce on a large scale efficient public hybrid and/or clean diesel transportation systems, where appropriate;”

*Global Energy Security*<sup>218</sup>

### Background

At the Gleneagles G8 Summit in 2005, member states pledged to promote the sales and market development of more efficient transportation vehicles and in June 2006, the G8 research group reported a high level of compliance for all G8 members except Japan, and Russia. At St. Petersburg, the G8 reaffirmed this commitment, further specifying that they will seek to address energy concerns in surface transportation by encouraging a transition to more efficient vehicles through consumer incentive programs, and support for cleaner public transportation initiatives.

As the high level of aggregate compliance to the 2005 commitment would suggest, many member states had pre-existing consumer incentive programs and investments in clean public transportation prior to the 2006 summit. In addition, several member states, including Japan, the United Kingdom and France, have continued to pursue existing initiatives other than consumer incentive programs that promote the sales and development of efficient vehicles, such as the introduction of biofuel floors in national fuel supplies for surface transportation. While these programs would have made these states compliant with the 2005 commitment, they are not compliant with the 2006 commitment. Therefore, while aggregate compliance with the 2006 commitment is low in the first half of the compliance period, pre-existing initiatives, and the specific scope of the commitment should be considered when appraising the following compliance studies.

*Team Leader: Jeff Claydon*

### Assessment

<b>Interim Compliance Score</b>			
	<b>Lack of Compliance</b>	<b>Work in Progress</b>	<b>Full Compliance</b>
Canada		0	
France		0	
Germany		0	
Italy		0	
Japan		0	
Russia		0	
United Kingdom		0	
United States			+1
European Union			+1
<b>Overall</b>			<b>+0.22</b>

### Canada: 0

Canada has partially complied with the commitment made regarding surface transportation at St. Petersburg. The government had a considerable platform of pre-existing initiatives to promote clean public transportation, including the Urban Transportation Showcase Program (UTSP) and part of

<sup>218</sup> Global Energy Security, G8 Research Group, (Toronto), 16 July 2006. Date of Access: 2 January 2007.  
<http://www.g7.utoronto.ca/summit/2006stpetersburg/energy.html>.

Canada's Action Plan 2000 on Climate Change, a series of federally funded pilots that emphasized and implemented more efficient and more comprehensive public transit systems in six cities.<sup>219</sup>

On 24 November 2006, a Department of Transportation Press release announced the launch of the Winsmart Showcase in Winnipeg, Manitoba, the sixth city in the Urban Transportation Showcase Program. This showcase is intended to promote innovative approaches to urban transportation that increase energy efficiency and reduce greenhouse gas emissions. The federal government committed CAD3.5 million to help the city of Winnipeg buy hybrid diesel electric buses.<sup>220</sup> Aside from this investment, the federal government has not made concerted efforts to implement or fund more efficient public transportation initiatives.

The Canadian government has failed to further develop pre-existing provincial initiatives to provide incentives for consumer purchases of efficient vehicles. While several provinces provide rebates for purchases of hybrid cars, the federal government has not actively pursued a national program.<sup>221</sup>

The federal government introduced one legislative item that addressed environmental and surface transportation policy: the Clean Air Act, an act that will amend the Environmental Protection Act and the Motor Vehicle Consumption Act, in order to improve air quality. However, the Clean Air Act is still in committee and makes no specific provisions for promotion and expansion of hybrid or clean diesel public transportation systems, or incentives for buying energy efficient vehicles.<sup>222</sup>

*Analyst: Jeff Claydon*

## **France: 0**

Prior to the St. Petersburg conference, the French government had already introduced many initiatives following along the lines of the commitment made at St. Petersburg. However, the initiatives were too permissive and failed to strongly impact the industry and therefore only achieved partial compliance. In November 2005, French Prime Minister Dominique de Villepin announced a EUR2,000 tax credit for consumers who purchase energy efficient vehicles. This rebate was a thirty percent increase on pre-existing rebates available in France, and remains in place as of 31 December 2006.<sup>223</sup>

On 14<sup>224</sup> and 20<sup>225</sup> December 2006, the Ministry of Transportation announced several new spending initiatives for 2007 that will further develop rail infrastructure in France. However, the announcements do not specify that these initiatives are to promote clean energy surface transportation alternatives. With the notable exception of France's ratification of the Transport Protocol of the Alpine Convention in December 2006, French commitments in surface transportation infrastructure have not been specifically aimed at promoting more efficient methods of transportation.<sup>226</sup> Therefore, France cannot be considered in full compliance with the St. Petersburg commitment.

*Analyst: Greg Beres*

## **Germany: 0**

The German government registered moderate compliance with the commitment made at St. Petersburg by promoting cleaner public transportation initiatives and stating their intention to provide incentives for consumer purchases of fuel efficient vehicles.

---

<sup>219</sup> Urban Transportation Showcase Program, Transport Canada Official Website, 30 December 2006. Date of Access: 20 January 2007. [www.tc.gc.ca/programs/environment/utsp/menu.htm](http://www.tc.gc.ca/programs/environment/utsp/menu.htm).

<sup>220</sup> News release, "All levels of government team up to give Winnipeggers more environmentally sustainable transportation choices." Press Releases, Transport Canada, 24 November 2006. Date of Access: 20 January 2007. [www.tc.gc.ca/mediaroom/releases/nat/2006/06-h163e.htm](http://www.tc.gc.ca/mediaroom/releases/nat/2006/06-h163e.htm).

<sup>221</sup> Hybrid Electric Vehicles Retail Tax Rebate Programs, Canada Benefits, Service Canada Official Website, 4 December 2006. Date of Access, 21 January 2007. [www.canadabenefits.gc.ca/faecazindex.jsp?keyword=Hybrid+Electric+Vehicles+Retail+Sales+Tax+Rebate&geo=5&lang=en](http://www.canadabenefits.gc.ca/faecazindex.jsp?keyword=Hybrid+Electric+Vehicles+Retail+Sales+Tax+Rebate&geo=5&lang=en).

<sup>222</sup> The Parliament of Canada, House Publications, Bill C-30: The Clean Air Act, 3 April 2006. Date of Access: 7 January 2007. [www2.parl.gc.ca/HousePublications/Publication.aspx?Language=E&Parl=39&Ses=1&Mode=1&Pub=Bill&Doc=C-30\\_1](http://www2.parl.gc.ca/HousePublications/Publication.aspx?Language=E&Parl=39&Ses=1&Mode=1&Pub=Bill&Doc=C-30_1).

<sup>223</sup> Dealing with Climate Change: Vehicle Emissions Reduction Plan. Date Accessed: 9 May 2006. [www.iea.org/dbtw-wpd/textbase/pamsdb/detail.aspx?mode=cc&id=2340](http://www.iea.org/dbtw-wpd/textbase/pamsdb/detail.aspx?mode=cc&id=2340).

<sup>224</sup> News release, "14 decembre 2006: Infrastructures de transport," Ministry of Transport, Tourism, Equipment and the Sea, 14 December 2006. Date of Access: 20 January 2007. [www.equipement.gouv.fr/article.php3?id\\_article=1961](http://www.equipement.gouv.fr/article.php3?id_article=1961).

<sup>225</sup> News release, "20 decembre 2006: Infrastructures ferroviaires," Ministry of Transport, Tourism, Equipment and the Sea, 20 December 2006. Date of access: 20 January 2007. [www.equipement.gouv.fr/article.php3?id\\_article=1973](http://www.equipement.gouv.fr/article.php3?id_article=1973).

<sup>226</sup> News release, "EU signs the Transport Protocol of the Alpine Convention," European Commission Press Releases, 12 December 2006. Date of access: 20 January 2007. [europa.eu/rapid/pressReleasesAction.do?reference=IP/06/1753&format=HTML&aged=0&language=EN&guiLanguage=en](http://europa.eu/rapid/pressReleasesAction.do?reference=IP/06/1753&format=HTML&aged=0&language=EN&guiLanguage=en).

Germany scored a high level of compliance on the Gleneagles commitment by supporting research and development in the alternative fuels automotive sector, and more efficient public transportation initiatives, such as the Cleaner Energy Partnership (CEP), a federally funded program aimed at promoting alternative energy transportation.<sup>227</sup> The German government continued to support the CEP throughout the compliance period by announcing the deployment of 14 new hydrogen cell buses to be deployed in Berlin by the end of 2007. In addition, nine fuel cell buses were deployed in Hamburg.<sup>228</sup>

On 17 September 2006, the German Minister of Transportation, Wolfgang Tiefensee, stated in a press release that the German government understood the importance of an expanded and cleaner public transit system in the coming years.<sup>229</sup> On 30 October 2006, Tiefensee reiterated the federal government's commitment to research and development in the alternative energy transportation sector through the National Hydrogen and Fuel Cell Technology Innovation Programme, but did not specify tax incentives for consumers, emphasizing instead financial commitments to research.<sup>230</sup> On 19 October 2006, the Tiefensee announced the German government's intention to lobby the European Commission for permission to amend national Motor Vehicle Tax levels for heavy goods vehicles to encourage the purchase of environmentally friendly vehicles. However, this policy is expected to be implemented in 2007.<sup>231</sup> On 16 December, Germany signed the Transport Protocol of the Alpine Convention, thereby committing to promote and develop environmentally friendly public transportation infrastructure in the region.<sup>232</sup>

While German commitments to the research and development in alternative fuel transportation and fuel efficient public transportation projects are notable, Germany cannot be considered in full compliance because they have failed to successfully implement any consumer oriented incentives for the purchase of energy efficient vehicles.

*Analyst: Augustine Kwok and Yuriy Zaitsev*

## Italy: 0

Italy has partially complied with its St. Petersburg commitment to developing clean surface transportation. While it has introduced a significant program of incentives for the purchase of cleaner, low-emission vehicles, there is no evidence to suggest that Italy has moved on its commitment to public hybrid and/or clean diesel transport.

On 30 November 2006, the Italian government introduced a series of measures to comply with this commitment in the 2007 Budget.<sup>233</sup> Among a series of measures, the government re-introduced a previously defunct scheme to provide incentives to consumers who send old automobiles to be recycled and purchase newer vehicles. The scheme provides only a modest incentive of EUR80 for those who replace old vehicles with ones that conform to Euro 0 or Euro 1 carbon emissions standards. Replacing old Euro 0 or Euro 1 vehicles with a new one that conforms to the newest Euro 4 or Euro 5 emissions standards (less than 140 g CO<sub>2</sub>/km) will net the consumer a payment of between

---

<sup>227</sup> "Surface Transportation Compliance Report," G8 Research Group Official Website, 2005 Gleneagles Compliance Report, 12 June 2006. Date of Access: 20 January 2007. [www.g8.utoronto.ca/evaluations/2005compliance\\_final/2005-22-g8-f-comp\\_transport.pdf](http://www.g8.utoronto.ca/evaluations/2005compliance_final/2005-22-g8-f-comp_transport.pdf).

<sup>228</sup> "Country Update: Germany, August-September 2006," International Partnership for a Hydrogen Economy. Date of Access: 20 January 2007. [www.iphe.net/Germany/German%20update\\_v2.pdf](http://www.iphe.net/Germany/German%20update_v2.pdf).

<sup>229</sup> News release, "Minister Tiefensee: Car will remain number one transport choice," German Ministry of Transport Building and Urban Affairs, 17 September 2006. Date of access: 20 January 2007. [www.bmvbs.de/en/Press/Press-releases-1933.976563/Minister-Tiefensee-Car-will-re.htm?global.back=/en/Press/-%2c1933%2c1/Press-releases.htm%3fink%3dbmv\\_liste%26link.sKategorie%3d](http://www.bmvbs.de/en/Press/Press-releases-1933.976563/Minister-Tiefensee-Car-will-re.htm?global.back=/en/Press/-%2c1933%2c1/Press-releases.htm%3fink%3dbmv_liste%26link.sKategorie%3d).

<sup>230</sup> News release, "Germany wants to achieve markets leadership for fuel cell and hydrogen technologies," German Ministry of Transport, Building and Urban Affairs, 30 October 2006. Date of Access: 20 January 2007. [www.bmvbs.de/en/Press/Press-releases-1933.981716/Tiefensee-Germany-wants-to-ach.htm?global.back=/en/Press/-%2c1933%2c0/Press-releases.htm%3fink%3dbmv\\_liste%26link.sKategorie%3d](http://www.bmvbs.de/en/Press/Press-releases-1933.981716/Tiefensee-Germany-wants-to-ach.htm?global.back=/en/Press/-%2c1933%2c0/Press-releases.htm%3fink%3dbmv_liste%26link.sKategorie%3d).

<sup>231</sup> News release, "Tiefensee: Financial assistance programme promoting the purchase of low emission vehicles notified to the European Commission," Ministry of Transport, Building and Urban Affairs, 19 October 2006. Date of Access: 20 January 2007. [www.bmvbs.de/en/Press/Press-releases-1933.981502/Tiefensee-Financial-assistance.htm?global.back=/en/Press/-%2c1933%2c1/Press-releases.htm%3fink%3dbmv\\_liste%26link.sKategorie%3d](http://www.bmvbs.de/en/Press/Press-releases-1933.981502/Tiefensee-Financial-assistance.htm?global.back=/en/Press/-%2c1933%2c1/Press-releases.htm%3fink%3dbmv_liste%26link.sKategorie%3d).

<sup>232</sup> News releases, "EU signs the Transport Protocol of the Alpine Convention," European Commission Press Releases, 12 December 2006. Date of access: 20 January 2007. [europa.eu/rapid/pressReleasesAction.do?reference=IP/06/1753&format=HTML&aged=0&language=EN&guiLanguage=en](http://europa.eu/rapid/pressReleasesAction.do?reference=IP/06/1753&format=HTML&aged=0&language=EN&guiLanguage=en).

<sup>233</sup> Torna l'incentivo per chi rottama auto o motorini, Il Sole 24 Ore, (Milan), 1 December 2006. Date of Access: 28 January 2007. [www.ilsole24ore.com/art/SoleOnline4/Speciali/2006/finanziaria2007/finanziaria2007\\_incentivi\\_auto\\_moto011206rogari.shtml?uid=2516e00e-810e-11db-88d7-00000e251029&DocRulesView=Libero](http://www.ilsole24ore.com/art/SoleOnline4/Speciali/2006/finanziaria2007/finanziaria2007_incentivi_auto_moto011206rogari.shtml?uid=2516e00e-810e-11db-88d7-00000e251029&DocRulesView=Libero).

EUR800<sup>234</sup> and EUR2,000<sup>235</sup> and an exemption from certain vehicular taxes for a period of two years (or three years if the vehicle has an engine displacement of less than 1,300 cc). This scheme will be instituted as of 1 January 2007 but will apply to all purchases made between 3 October 2006 and will continue until at least 31 December 2009.<sup>236</sup> The measures include similar incentives for scooters and trucks. Importantly, part of the new scheme also provides for incentives of EUR650 to support the conversion of cars to use hybrid electric, hydrogen or liquefied petroleum gas technology.<sup>237</sup> The government is expected to spend EUR50 million on these programs in 2007, 2008 and 2009.<sup>238</sup>

*Analyst: Brian Kolenda*

## **Japan: 0**

Japan's government has not yet shown evidence of full compliance with the St. Petersburg commitment to surface transportation.

Despite the lack of success of Japan's Voluntary Emissions Trading Scheme, there has been a rise in the development of environmentally-friendly fuel technology as well as stricter fuel efficiency regulations. On 15 December 2006, the Ministry of Economy, Trade and Industry (METI) proposed stricter regulations that would require Japanese automakers to increase the fuel efficiency of passenger cars by 23.5 percent by 2015. Making fuel efficient automobiles a priority for large automobile manufacturers should make such vehicles more affordable; that a more competitive market for fuel efficient vehicles is one primary of the expectations of this initiative.<sup>239</sup> These regulations would become the world's strictest.<sup>240</sup> In addition, the Ministry Announced JPY 2.4 billion to promote energy efficient vehicles for 2007, though they did not specify whether this funding would provide any consumer specific incentives.<sup>241</sup> These actions are not indicative of full compliance, as they are not strictly speaking consumer incentives. However, they do reflect the spirit in which the commitment was made, and this should be considered when evaluating Japanese compliance.

*Analyst: Egor Ouzikov*

## **Russia: 0**

Russia has partially complied with the commitment made at St. Petersburg. While regional authorities in several areas have implemented incentive programs for consumer purchases of energy efficient vehicles, there are no significant federal consumer incentive programs. In October 2006 the Russian Federation ordered a ban on the importation of used vehicles, which do not meet the Euro-2 emission standards.<sup>242</sup> In addition, the Russian Deputy Minister of Industry and Energy Andrey Dementyev indicated that the federal government would continue to pursue an environmentally-friendly energy policy at a meeting with Executive Secretary of the Economic Commission for Europe (ECE) of the UN Marek Belka, which took place 16 October 2006. Dementyev suggested that Russia was interested in expanding their collaboration with the ECE in the sphere of technical standards.<sup>243</sup> While these measures demonstrate that the Russian government intends to promote energy efficient automobiles, no consumer incentives are provided by the federal government.

---

<sup>234</sup> Cosa fare se l'auto e' da rottamare , Autoitalia.it, (Aversa, Italy), No publication date. Date of Access: 28 January 2007. [www.autoitalia.it/utilita/rottamazione.asp](http://www.autoitalia.it/utilita/rottamazione.asp).

<sup>235</sup> Incentivi e rottamazione senza segreti Ecco la guida per avere i vari bonus, La Repubblica, (Milan), 28 December 2006. Date of Access: 28 January 2007. [www.repubblica.it/2006/11/motori/dicembre-2006/guida-incentivi-bollo/guida-incentivi-bollo.html](http://www.repubblica.it/2006/11/motori/dicembre-2006/guida-incentivi-bollo/guida-incentivi-bollo.html).

<sup>236</sup> Incentivi e rottamazione senza segreti Ecco la guida per avere i vari bonus, La Repubblica, (Milan), 28 December 2006. Date of Access: 28 January 2007. [www.repubblica.it/2006/11/motori/dicembre-2006/guida-incentivi-bollo/guida-incentivi-bollo.html](http://www.repubblica.it/2006/11/motori/dicembre-2006/guida-incentivi-bollo/guida-incentivi-bollo.html).

<sup>237</sup> Incentivi e rottamazione senza segreti Ecco la guida per avere i vari bonus, La Repubblica, (Milan), 28 December 2006. Date of Access: 28 January 2007. [www.repubblica.it/2006/11/motori/dicembre-2006/guida-incentivi-bollo/guida-incentivi-bollo.html](http://www.repubblica.it/2006/11/motori/dicembre-2006/guida-incentivi-bollo/guida-incentivi-bollo.html).

<sup>238</sup> Incentivi e rottamazione senza segreti Ecco la guida per avere i vari bonus, La Repubblica, (Milan), 28 December 2006. Date of Access: 28 January 2007. [www.repubblica.it/2006/11/motori/dicembre-2006/guida-incentivi-bollo/guida-incentivi-bollo.html](http://www.repubblica.it/2006/11/motori/dicembre-2006/guida-incentivi-bollo/guida-incentivi-bollo.html).

<sup>239</sup> Japan Proposes Tougher Fuel Economy Regulations; Passenger Car Fuel Economy to Increase 23.5% by 2015, Green Car Congress, 15 December 2006. Date of Access: 3 January 2006. [http://www.greencarcongress.com/2006/12/japan\\_proposes\\_.html#more..](http://www.greencarcongress.com/2006/12/japan_proposes_.html#more..)

<sup>240</sup> Japan Planning Even Tougher Fuel Economy Requirements, Green Car Congress, 5 December 2006. Date of Access: 3 January 2006. [http://www.greencarcongress.com/2006/12/japan\\_planning\\_.html#more..](http://www.greencarcongress.com/2006/12/japan_planning_.html#more..)

<sup>241</sup> Fiscal Year 2007 Economic and Industrial Policy, Ministry of Economy, Trade and Industry Official Website, August 2006. Date of Access: 20 January 2007. [www.meti.go.jp/english/information/downloadfiles/FY18METIjuuten\\_rev.pdf](http://www.meti.go.jp/english/information/downloadfiles/FY18METIjuuten_rev.pdf).

<sup>242</sup> Ban on import of used vehicles, which do not meet the standard Euro-2, came into force, RIA Novosti, 31 October 2006.. Date of Access: 25 December 2006. [ria.ru/society/expert/20061031/55263939.html](http://ria.ru/society/expert/20061031/55263939.html).

<sup>243</sup> Sustainable energy and harmonized technical standards, Ministry of Industry and Energy of the RF, 17 October 2006. Date of Access: 25 December 2006. [www.minprom.gov.ru/activity/inter/news/121](http://www.minprom.gov.ru/activity/inter/news/121).

In October 2006, the state-owned Russian Railways signed a partnership with the Russian Academy of Science to develop energy saving technologies and alternative energy sources. Russian Railways CEO Vladimir Yakunin suggested that the development and eventual use of hydrogen-powered locomotives were a priority for Russian Railways and a centrepiece of the agreement. While the Russia has demonstrated an interest in the components of the St. Petersburg commitment, the government has implemented no programs that bring Russia closer to compliance.

*Analyst: Natalia Churkina and Egor Ouzikov*

## **United Kingdom: 0**

The United Kingdom registered partial compliance with the commitments made at St. Petersburg, building on pre-existing programs to establish clean public transportation, while failing to provide substantial incentives to consumers for fuel efficient vehicle purchases. Prior to the compliance period, the British government had already implemented several initiatives that demonstrated British concern about surface transportation emissions. In March 1998 the government introduced the Vehicle Excise Duty (VED), a tax partially based on vehicle emissions, providing incentives for consumers to purchase vehicles with lower emissions and exempting hybrid and fuel cell vehicles from paying any VED.<sup>244</sup> On 6 April 2002, the government linked taxation rates of company cars to carbon dioxide emissions and provided tax incentives for more efficient vehicles, including hybrids and clean diesels.<sup>245</sup> On 22 March 2006, the Her Majesty's Revenue and Customs Agency announced higher emission standards for company cars and a ten percent reduction for cars with emissions of 120g/km or below.<sup>246</sup> On 29 November 2006, Transport Minister Dr. Stephen Ladyman reaffirmed the government's commitment to these programs, and reiterated their importance in promoting fuel efficient alternatives.<sup>247</sup> UK will introduce the Renewable Transport Fuel Obligation<sup>248</sup> – which requires that 2.5% of all fuels sold on forecourts must be from renewable resources, eventually rising to 5% in 2010/11<sup>249</sup>.

The British government has announced no federal initiatives to promote hybrid and fuel cell specific public transportation initiatives during the compliance period. However, the government has emphasized public transit development as an alternative to private vehicle usage. On 29 November 2006, Ladyman stated the government will provide up to GBP200 million per annum through the Transport Innovation Fund to support schemes which will tackle road congestion, and encourage the usage and expansion of public transit systems.<sup>250</sup>

*Analyst: Augustine Kwok*

## **United States: +1**

The United States achieved a high level of compliance with the commitments made at St. Petersburg, funding numerous public transportation initiatives and promoting the development of alternative fuel programs. The U.S. was well on its way to compliance before the 2006 summit; the Departments of Energy and Transportation had established consumer incentives and had invested considerably in cleaner public transportation. On 8 August 2005, the federal government passed Energy Policy Act (EPACT), which included a tax rebate of up to USD4000 for the purchase of hybrid or clean diesel vehicles. Though the federal government has not built on these initiatives in the compliance period, they remain amongst the most substantial consumer incentives in the G8.

The U.S. Transportation Secretary, Norman Y. Mineta, announced a plan to spend USD1.5 billion on light rail transit programs in Dallas, Denver, Portland, and Salt Lake City in February 2006, with the

---

<sup>244</sup> What is a Vehicle Excise Duty?, Politics.co.uk, (London), 19 August 2004. Date of Access: 23 January 2007. [www.politics.co.uk/issue-briefs/public-services/road/vehicle-excise-duty/vehicle-excise-duty-\\$366609.htm](http://www.politics.co.uk/issue-briefs/public-services/road/vehicle-excise-duty/vehicle-excise-duty-$366609.htm).

<sup>245</sup> Database Search by Company Car Tax, Vehicle Certification Agency Official Website (London), 1 December 2006. Date of Access: 20 January 2007. [www.vcacarfueldata.org.uk/search/companyCarTaxSearch.asp](http://www.vcacarfueldata.org.uk/search/companyCarTaxSearch.asp).

<sup>246</sup> News release, "Budget 2006: Company Car and Fuel Benefit Tax," Her Majesty's Customs and Revenue Agency (London), 22 March 2006. Date of Access: 22 January 2007. [www.hmrc.gov.uk/budget2006/bn36.pdf](http://www.hmrc.gov.uk/budget2006/bn36.pdf).

<sup>247</sup> Address by Transport Minister Dr. Stephen Ladyman at the Sir Henry Royce Memorial Lecture, (Newcastle), 29 November 2006. Date of Access: 4 January 2007. [www.dft.gov.uk/stellent/groups/dft\\_susttravel/documents/page/dft\\_susttravel\\_613747.hcsp](http://www.dft.gov.uk/stellent/groups/dft_susttravel/documents/page/dft_susttravel_613747.hcsp).

<sup>248</sup> Renewable Transport Fuel Obligation (RTFO) Feasibility Report, (London), 10 November 2005. Date of Access: 4 January 2007. [www.dft.gov.uk/stellent/groups/dft\\_roads/documents/page/dft\\_roads\\_610329-01.hcsp#P18\\_263](http://www.dft.gov.uk/stellent/groups/dft_roads/documents/page/dft_roads_610329-01.hcsp#P18_263).

<sup>249</sup> Address by Transport Minister Dr. Stephen Ladyman at the Sir Henry Royce Memorial Lecture, (Newcastle), 29 November 2006. Date of Access: 4 January 2007. [www.dft.gov.uk/stellent/groups/dft\\_susttravel/documents/page/dft\\_susttravel\\_613747.hcsp](http://www.dft.gov.uk/stellent/groups/dft_susttravel/documents/page/dft_susttravel_613747.hcsp).

<sup>250</sup> Address by Transport Minister Dr. Stephen Ladyman at the Sir Henry Royce Memorial Lecture, (Newcastle), 29 November 2006. Date of Access: 4 January 2007. [www.dft.gov.uk/stellent/groups/dft\\_susttravel/documents/page/dft\\_susttravel\\_613747.hcsp](http://www.dft.gov.uk/stellent/groups/dft_susttravel/documents/page/dft_susttravel_613747.hcsp).

funding allotted for the 2007 fiscal year.<sup>251</sup> Again, the commitment was made prior to the compliance period, but reflects a commitment to energy efficient public transportation initiatives.

In October 2006, the Federal Transit Administrator James Simpson and Congresswoman Mary Bono announced USD49 million in federal grants for researchers to explore new ways to make commercially viable hydrogen fuel cell buses. Three non-profit organizations were competitively selected by the FTA to carry out the research and development.<sup>252</sup> In a news release, Simpson stated "through this national program, we can consolidate—and accelerate—the process of making hydrogen buses commercially feasible as cleaner, more energy efficient alternatives."<sup>253</sup>

*Analyst: Sarah Kim*

## **European Union: +1**

The European Union has thus far registered a high level of compliance with the St. Petersburg commitment on surface transportation, by committing considerable capital to cleaner public transportation systems across Europe. On 19 July 2006 the European Commission granted the Dutch province of Gelderland EUR4.6 million in aid for a local project designed to explore new ways to make the public transportation system more environmentally friendly and attractive to the public.<sup>254</sup> On 5 October 2006, the European Commission announced it had brokered an agreement between six European and Canadian cities for the joint purchases of hydrogen fuel-cell powered buses, based on a similar pilot project completed in Europe in May 2006 (the CUTE project).<sup>255</sup> In a similar spirit, the Commission announced an aid package on 7 December 2006 intended to help finance anti-pollution filters on older buses in Italian public transit fleets. The aid package will cover thirty percent of the costs incurred by local governments.<sup>256</sup> On 12 December 2006, the Commission announced the signing of the Transport Protocol of the Alpine Convention, an agreement which among other issues promises incentives for transitions in the Alps region to more efficient and environmentally friendly surface transportation methods. The agreement specifically suggests a commitment from signatories to transfer freight transport in the region from road to rail.<sup>257</sup> Furthermore, *European Mobility Week* was also established, where all European citizens could enjoy events from 16 September 2006 to 22 September 2006, dedicated to sustainable mobility. "The objective [was] to facilitate widespread debate on the necessity for changes in behaviour in relation to mobility and in particular the use of the private car."<sup>258</sup> Another European Mobility Week is planned for 7 and 8 February 2007. Finally, the Commission Vice-President responsible for transport has expressed his belief that effort should be made to ensure that transportation is environmentally-friendly and that more measures are necessary to ensure sustainable mobility. The Commission will present a strategic technology plan for energy in 2007, and a program on green-powered vehicles will be introduced in 2009.<sup>259</sup>

*Analyst: Greg Beres*

---

<sup>251</sup> President's Budget Recommends \$1.5 Billion for Surface Transportation Projects, Department of Transportation (Washington), 7 February 2006. Date of Access: 12 January 2007. [www.dot.gov/affairs/fta0306.htm](http://www.dot.gov/affairs/fta0306.htm)

<sup>252</sup> News release, "Top U.S. Transit Official Announces \$49 Million in Federal Grants for Research to Make Commercially Viable Hydrogen Fuel Cell Buses a Reality," 12 October 2006. Date of Access, 5 December 2006. [www.fta.dot.gov/news/news\\_events\\_5830.html](http://www.fta.dot.gov/news/news_events_5830.html).

<sup>253</sup> News release, "Top U.S. Transit Official Announces \$49 Million in Federal Grants for Research to Make Commercially Viable Hydrogen Fuel Cell Buses a Reality," 12 October 2006. Date of Access, 5 December 2006. [www.fta.dot.gov/news/news\\_events\\_5830.html](http://www.fta.dot.gov/news/news_events_5830.html).

<sup>254</sup> News release, "Commission authorizes Dutch Province of Gelderland to grant € 4.6 million aid for environmental protection and innovation in public transport," European Commission Press Releases, 19 July 2007. Date of access: 20 January 2007. [europa.eu/rapid/pressReleasesAction.do?reference=IP/06/1701&format=HTML&aged=0&language=EN&guiLanguage=en](http://europa.eu/rapid/pressReleasesAction.do?reference=IP/06/1701&format=HTML&aged=0&language=EN&guiLanguage=en).

<sup>255</sup> News release, "Purchasing Zero Emissions Hydrogen Powered Buses," European Commission Press Releases, 5 October 2007. Date of Access: 20 January 2007.

[europa.eu/rapid/pressReleasesAction.do?reference=IP/06/1315&format=HTML&aged=1&language=EN&guiLanguage=en](http://europa.eu/rapid/pressReleasesAction.do?reference=IP/06/1315&format=HTML&aged=1&language=EN&guiLanguage=en).

<sup>256</sup> News release, "Commission authorizes aid for anti-pollution filters on Italian buses," European Commission Press Releases, 7 December, 2006. Date of access: 20 January 2007.

[europa.eu/rapid/pressReleasesAction.do?reference=IP/06/1701&format=HTML&aged=0&language=EN&guiLanguage=en](http://europa.eu/rapid/pressReleasesAction.do?reference=IP/06/1701&format=HTML&aged=0&language=EN&guiLanguage=en).

<sup>257</sup> News releases, "EU signs the Transport Protocol of the Alpine Convention," European Commission Press Releases, 12 December 2006. Date of access: 20 January 2007.

[europa.eu/rapid/pressReleasesAction.do?reference=IP/06/1753&format=HTML&aged=0&language=EN&guiLanguage=en](http://europa.eu/rapid/pressReleasesAction.do?reference=IP/06/1753&format=HTML&aged=0&language=EN&guiLanguage=en).

<sup>258</sup> European Mobility Week. Official Website. Date of access: 14 November 2006. <http://www.mobilityweek-europe.org/-The-European-Mobility-Week-.html>.

<sup>259</sup> News release. "New transport policy focuses on citizens' needs." EU Commission, 30 June 2006. Date of access: 18 December 2006. [ec.europa.eu/transport/060630\\_1\\_en.htm](http://ec.europa.eu/transport/060630_1_en.htm).