

News Release

Study shows extent of hidden subsidies for urban car use

19/05/05, Brussels - For immediate release – Local authorities across Europe are subsidising private car use by up to EUR 250 per citizen a new study published today by ICLEI - Local Governments for Sustainability shows. ICLEI calls on local authorities to cut such hidden subsidies and to boost investment in sustainable public transport. Examples of the type of subsidises being paid include maintenance of roads and green spaces alongside streets, traffic signals, lighting, traffic police and parking.

Gino van Begin, ICLEI Regional Director for Europe said, “Car drivers are getting a free ride from local authorities and the result is increased congestion and pollution in European cities. Redressing the balance in favour of investments in sustainable transport will be good for the economy and the health of urban-dwellers.”

Based on analysis of local authority budgets of 12 German cities as well as Graz (Austria), Geneva (Switzerland) and Ferrara (Italy) – the report shows that most of the money used to subsidise private transportation is not recovered. In Germany, sources such as parking fees and fines bring in an average of just 29.1% of expenditure. In Graz, the net spending for car transport is double the amount contributed to the public transport system.

The publication comes as evidence is emerging of cities exceeding EU pollution limits that came into effect in January. The legislation sets levels of soot particles - which can only be exceeded on 35 days in a year. In February a number of Italian cities saw car bans and in March, Munich and Stuttgart both recorded their 36th day of excessive soot particles.

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The report ‘Hidden Subsidies for Urban Car Transportation: Public Funds for Private Transport’ can be downloaded from: <http://www.increase-public-transport.net>

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About SIPTRAM

The report was produced in the framework of the SIPTRAM (Sustainability in the Public Urban Transport Market) project, which aims to encourage local and regional authorities across Europe to improve the environmental and quality standards in urban public transport. (For more information see www.increase-public-transport.net) Funded by the European Commission, Directorate General for the Environment, under the Community Framework for Cooperation to promote Sustainable Urban Development (COM, 2002/C 26/08).

About ICLEI

ICLEI represents a movement of local governments that work together in networks for performance, supported by ambitious campaigns, programs and projects to achieve tangible improvements in global sustainability with a particular focus on environmental conditions. It serves as an effective agency demonstrating creativity and excellence in developing innovative solutions to assist Local Governments on their way to local sustainability. (For more information see www.iclei.org/europe)