

THE EXPECTED DEVELOPMENT TRENDS OF TRANSPORT IN THE EUROPEAN UNION AND IN THE SLOVAK REPUBLIC

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Summary. The aim of this contribution is to discuss the expected development trends of transport in the EU and in the Slovak Republic. The first part of the contribution provides general information about the solved problem. The second part talks about the development trends of aviation. The other parts of the contribution focus on the expected development trend of transport in the EU as well as in the Slovak Republic. The last part interprets the main ideas of the contribution.

Keywords: transport; development trends; aviation; GDP

1. INTRODUCTION

With the liberalization of market air transport has become a dynamic part and force of economic growth. In connection with the development of the economy of countries it is possible to talk about the development of air transport. Possibilities for its further development are the subject of much debate and speculation, whereas the future is generally associated with uncertainty and some negative or positive expectations and the knowledge of the future is a prerequisite for the preparedness to it and thus gain an advantage over competitors. The inclusion of the right forecast of the expected future to the strategy of a company means readiness on the expected development and effective and efficient response to it.

2. DEVELOPMENT TRENDS OF AVIATION

Air transport is one of the newest modes of transportation characterized by dynamic development. For the last 55 years, there was recorded an average annual growth of air traffic by 5,5 %, which represents three times the average growth rate of gross domestic product in real terms. The growth in air traffic has been achieved through technological progress, increased productivity and consumer spending along with the deregulation of the air transport market. With the liberalization of market air transport became a dynamic part and force of economic growth and therefore depends on many factors. Through complex interactions with other economic sectors the air transport benefits and also contributes to economic growth and development of each country. Because of the growing role and importance of aviation in the economic development of regions it is important to take into account the economic and social benefits of this transport system to ensure that the future needs of aviation will be properly assessed together with the related resources.

As already mentioned above, civil aviation plays an important role in the development of the world economy. There are 1,6 billion of passengers carried by air transport per year. Based on the forecast for the 2010 year, there had to be carried 2,5 billion passengers by air transport achieving so a turnover of 1 800 billion \$. However these forecasts were affected by the global economic crisis that hit the world economy and thus the air transport. It was expected that in 2015 the number of passengers carried by air transport in the EU will reach 1, 1 billion.

3. THE EXPECTED DEVELOPMENT TRENDS OF TRANSPORT IN THE EUROPEAN UNION

The estimated average annual growth of GDP by 2,1% for the period from 2000 to 2020 will most likely not be filled due to the fact that by the year 2007 the rate of the economic growth achieved 1,8% on average. As a result of the global economic crisis, the economic growth in the EU in 2008 was 0,8%. In 2009, the expected decline of GDP had to be 4,1%, but in fact, compared to the previous year there was a decline up to 4,7%.

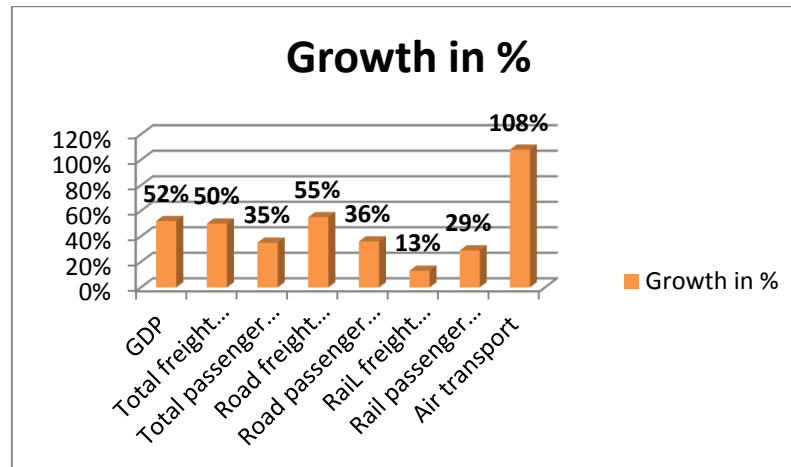


Figure 1 The Expected Increase of Basic Indicators in 2020 compared to 2000
(Source: http://ec.europa.eu/transport/white_paper/mid_term_revision/assess_en.htm)

As the chart shows, there are increases foreseen in the volume of all kinds of transport in relation with the growth of GDP in the EU. The largest increase is expected in the field of air transport up to 108% in 2020 compared to 2000.

4. THE EXPECTED DEVELOPMENT OF TRANSPORT IN THE SLOVAK REPUBLIC

Since 1995 there has been processed a prognosis of the transport development until 2020 on the basis of the analysis of the earlier development of transport. There were compiled two scenarios:

- zero option foreseeing the inability to deal with the accumulated problems and the current development trends of transport,
- real scenario based on favorable development of transport with regard to the socio-economic development in the Slovak Republic, geopolitical changes, membership in the EU in accordance with the approved strategic documents.

The global financial crisis has resulted in a slowdown, respectively decline in GDP in Europe as well as on a global scale. The decline in GDP resulted in reduction of the demand for the transport services, whereas the transport tends to decline right at the beginning. However, it should be noted that on the other hand, transport tend to recover more quickly compared to other sectors as a result of faster growth of international trade.

The expected development of transport by 2020 based on the realistic scenario should be the following:

- increase in the quantities of the carried goods and performance of each mode of transport,
- gradual increase in the share of intermodal transport due to the globalization of trade with the largest expected increase in the transport between the EU and Asia especially through transport containers,

- increase in the amount of transported goods by 42% and total transport performance in the Slovak Republic by 50 % due to the global impact of international trade.

This development of transport is conditioned by the development of:

- transport processes between the EU and Asia, where the Slovak Republic can participate as a transit country to ensure adequate transport infrastructure,
- accepted measures (liberalization of freight transport, customs and trade restrictions),
- transport costs (fuel prices, infrastructure charging, application of information and communication technologies).

According to the EU forecast, in 2020 the individual transportation should achieve a share on passenger transport up to 77%, the railway transport 5%, bus transport 6%, air transport 11% and metro 1%.

Based on the data released by the Ministry of Transport, Construction and Regional Development of the Slovak Republic it can be concluded that there is an expected increase in all kinds of transport compared to the previous year, with a noticeable gradual decline in the share of individual automobile transport in 2020 by 13, 8% compared to 2005 and on contrary an increase in the share of air transport by 27,8% compared to 2005 and by 19,4% in comparison with 2010.

External factors (driving forces)

The biggest impact on the development of transport has economic factors (removal of disparities at regional, national and European level). Transport demand is generated by specialization of regions and countries on some specific areas of industry and is conditional on the growth of GDP in the country as well as on the amount of gross cash income per a household member.

According to the preliminary forecast for 2020 the most important social factors influencing the development of transport will be:

- free movement of people, goods and services within the EU – mitigating the impact of population aging on the labor market, strengthening the EU interconnections with the neighboring and distant regions of the world by creating cultural and economic links with countries of origin resulting in an increased movement of people and goods and number of people commuting longer distances,
- lower population growth,
- population aging – a strengthening trend of higher mobility of elderly people requiring a focus on providing services with higher level of security and reliability,
- economically active population.

These factors have primarily an impact on the number of carried passengers.

Table 1. The Expected Development of Selected Factors Influencing Transport

Indicator	2005	2010	2015	2020	Change in %
Population	5 389 180	5 393 000	5 397 000	5 401 000	0,22
Economically active population (thousand)	2 645,7	2 704,0	2 726,0	2 730	3,19
Gross cash income (Eur)	3 693	4 813	5 908	6 937	87,84
GDP	39 098,8	57 138,9	70 457,7	74 520,3	90,59

The impact of each factor is presented in the so-called sensitivity test used in the EK2 study serving the development estimation of the share of selected modes of transportation in the Slovak Republic.

Table 2. The Estimated Development of the Share of Selected Modes of Transportation in the Slovak Republic due to Changes of Selected Factors

Change of the factor influencing the transport	Railway transport	Air transport
GDP + 10 %	2,4 %	2,0 %
Increase in fuel prices + 10 %	1,3 %	0,6 %
Increase in air fares + 10 %	0%	- 5,2 %
Travel time of an aircraft + 10 %	0%	2,1 %

The data shown in the table are used to compare changes in the share of rail and air transport depending on the change of factors influencing these modes of transportation. Air transport must cope with the high competitiveness of land modes of transportation, especially railway transport, which achieves comparable values when changing selected factors listed in the table. The advantage of air transport remains the duration of flight and the disadvantage is the increase in travel costs.

5. CONCLUSION

Air transport is part of the state transport network and plays a strategic role in the field of providing services to foreign countries and thus also contributes to social and economic development of the country. Currently the development of air transport and thus also the airlines are still affected by the global economic crisis. This impact is considered to be rather negative and results in a slowdown in air traffic, which results in a fall in the number of passengers and cargo. Another development in the field of air transport should be based upon the method of solving the economic crisis in the Eurozone and gradual recovery of economic of EU countries.

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