

AmCham EU ~~B~~ response to the stakeholder consultation on the charging of the use of road infrastructure

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CONSULTATION RESPONSE

Date: 23rd November 2012

Background and Analysis

The charging of the use of road infrastructure

Questions marked with an asterisk * require an answer to be given.

Part I. About you

In what capacity are you completing this questionnaire?*

- ☐ As a citizen
☐ On behalf of a public authority
☒ *On behalf of an industry association or a non-governmental organisation (NGO)*
☐ On behalf of a company

Is your association/organisation registered in the Transparency Register of the European Commission http://europa.eu/transparency-register/index_en.htm?

Your contribution will be considered ðas a citizenö if your organisation is not registered in this register*

☒ *Yes*

☐ No

Please indicate the identification number*

5265780509-97

What is the name of the company, organisation or authority?*

AmCham EU

Please specify your main country of operations or residence.

For international or European organisations, please choose international.*

- | | | |
|---|--|--|
| <input type="checkbox"/> Austria | <input type="checkbox"/> Hungary | <input type="checkbox"/> Slovakia |
| <input type="checkbox"/> Belgium | <input type="checkbox"/> Italy | <input type="checkbox"/> Slovenia |
| <input type="checkbox"/> Bulgaria | <input type="checkbox"/> Latvia | <input type="checkbox"/> Spain |
| <input type="checkbox"/> Cyprus | <input type="checkbox"/> Lithuania | <input type="checkbox"/> Sweden |
| <input type="checkbox"/> Czech Republic | <input type="checkbox"/> Luxembourg | <input type="checkbox"/> United Kingdom |
| <input type="checkbox"/> Denmark | <input type="checkbox"/> Malta | <input type="checkbox"/> Iceland |
| <input type="checkbox"/> Estonia | <input type="checkbox"/> Netherlands | <input type="checkbox"/> Norway |
| <input type="checkbox"/> Finland | <input type="checkbox"/> Poland | <input type="checkbox"/> Switzerland |
| <input type="checkbox"/> France | <input type="checkbox"/> Portugal | <input type="checkbox"/> Other |
| European, non-EU | | |
| <input type="checkbox"/> Germany | <input type="checkbox"/> Republic of Ireland | <input type="checkbox"/> non-European |
| <input type="checkbox"/> Greece | <input type="checkbox"/> Romania | <input checked="" type="checkbox"/> <i>international</i> |

CONSULTATION RESPONSE

Please specify which interests you (the organisation on behalf of which you respond) represent (multiple answers possible)

*

- | | | |
|--|--|---|
| <input type="checkbox"/> Road infrastructure operator | <input type="checkbox"/> Road freight transport | <input type="checkbox"/> Professional road passenger transport (i.e. coach, bus and taxi) |
| <input type="checkbox"/> Private car or motorbike use | <input type="checkbox"/> Rail transport | <input type="checkbox"/> |
| Intermodal transport | <input type="checkbox"/> Pedestrian/public transport use | <input checked="" type="checkbox"/> Non-specify |
| <input type="checkbox"/> Other mode(s) of transport (please specify) | | |

Please specify other modes of transport*

Please specify non-transport related*

AmChamEU is a horizontal business association with a broad range of relevant stakeholders in the transport domain (suppliers, retailers, transportation companies, fuel suppliers as well as users and consumers)

Comments

Part II. Problems

Problem 1: Financing gap

Insufficient and inefficient maintenance of EU transport infrastructure

In recent decades, public spending on transport infrastructure in relation to GDP has decreased considerably (from 1.5% to 0.8%). Together with the priority often given to building new infrastructure over the maintenance of existing infrastructure when allocating scarce public funds, this has resulted in a chronic state of underinvestment on the existing network.

The economic crisis and the Stability Pact have put additional constraints on the possibility of financing the maintenance of infrastructure from increased public debt and/or tax payer's money. Higher fuel efficiency and increasing use of fuels other than petrol and diesel will also reduce governments' income from fuel excise duty, the revenue of which may be regarded as partly paying for the infrastructure costs.

The urgency of finding new sources of funding has triggered debates in an increasing number of EU Member States, and at the European level, on the possibility in the future to rely less on tax payers and more on road charging for the financing of transport infrastructure.

1. Please select the country which you know best.

(Can be your country of establishment or another country)

*

- | | | |
|--|--|---|
| <input type="checkbox"/> Austria | <input type="checkbox"/> Hungary | <input type="checkbox"/> Slovakia |
| <input checked="" type="checkbox"/> Belgium | <input type="checkbox"/> Italy | <input type="checkbox"/> Slovenia |
| <input type="checkbox"/> Bulgaria | <input type="checkbox"/> Latvia | <input type="checkbox"/> Spain |
| <input type="checkbox"/> Cyprus | <input type="checkbox"/> Lithuania | <input type="checkbox"/> Sweden |
| <input type="checkbox"/> Czech Republic | <input type="checkbox"/> Luxembourg | <input type="checkbox"/> United Kingdom |
| <input type="checkbox"/> Denmark | <input type="checkbox"/> Malta | <input type="checkbox"/> Iceland |
| <input type="checkbox"/> Estonia | <input type="checkbox"/> Netherlands | <input type="checkbox"/> Norway |
| <input type="checkbox"/> Finland | <input type="checkbox"/> Poland | <input type="checkbox"/> Switzerland |
| <input type="checkbox"/> France | <input type="checkbox"/> Portugal | <input type="checkbox"/> Other |
| European, non-EU | | |
| <input type="checkbox"/> Germany | <input type="checkbox"/> Republic of Ireland | <input type="checkbox"/> non-European |
| <input type="checkbox"/> Greece | <input type="checkbox"/> Romania | |

Please specify the country

EEA members are active in all EU Member States and, as such, have a good idea on challenges in this sector throughout the whole European Union.

2. How would you assess the state of maintenance of the transport infrastructure in your country and in the EU in general?

Please rate on a scale of 1 (not appropriately maintained) to 5 (very well maintained) or don't know / no view

a: 1

b: 2

c: 3

d: 4

e: 5

f: don't know/no view

	a	b	c	d	e	f
transport infrastructure in your country (all modes)						
*	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
road infrastructure in your country						
*	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
rail infrastructure in your country						
*	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
transport infrastructure in the EU in general (all modes)						
*	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
road infrastructure in the EU in general						
*	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
rail infrastructure in the EU in general						
*	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Comments

Further infrastructure investments can no longer be delayed to maintain and expand Europe's infrastructure at a time when global competitors race ahead to build the growth enablers of tomorrow. Infrastructure investments should be accelerated in order to create a better functioning transport system that has adequate connections and reduces congestion, emissions and accidents. These investments simultaneously would contribute to Member States' economic stimulus and recovery efforts since they create jobs, build lasting assets, enhance the EU's global competitiveness and improve overall quality of life. We very much welcome the creation of an infrastructure fund using several instruments and would reinforce that the earmarking of revenues generated from the transport modes should contribute to secure adequate funding.

3. Do you agree that, given the important role of transport networks for enabling economic activities, appropriate funds must be secured to maintain the transport infrastructure in good condition?*

☒ **Strongly agree**

☐ Somewhat agree

☐ Somewhat disagree

☐ Strongly disagree

☐ Don't know/no opinion

Comments

4. Do you agree that users of the transport infrastructure, rather than tax payers, should cover the costs related to the maintenance of the transport infrastructure (i.e. in accordance with the user pays principle)?*

☐ Strongly agree

☐ Somewhat agree

☒ **Somewhat disagree**

☐ Strongly disagree

☐ Don't know/no opinion

Comments

Infrastructure charging and taxation should allow all transport modes to be developed fairly in order to make co-modality work effectively in the transport mix and to ensure mobility and transport security. AmCham EU deplores that the revised Eurovignette fails to meet proportionality, effectivity and transparency principles. AmCham EU therefore urges the European Commission to propose similar schemes aimed at internalising external costs of all road users and all modes of transport, in order to tackle congestion and to remedy the current lack of a level playing field between transport modes. It is crucial that earmarking provisions shall guarantee that i. 100 % of the revenues are invested in measures to decrease the external costs of that particular transport mode and ii. that there is transparency in the use and deployment of these revenues..

5. Do you think that the introduction of road charges should be (partly) compensated by the reduction in other taxes and charges (vehicle taxation, labour charges, VAT on transport services)?*

☒ **Strongly agree**

☐ Somewhat agree

☐ Somewhat disagree

☐ Strongly disagree

☐ Don't know/no opinion

Comments

The introduction of (new) road charges should be budget-neutral, i.e. there should not be an overall increase of all taxes, levies and charges already paid by road users, and there should certainly not be double taxation.

6. Concession motorways (motorways operated under Public-Private Partnership agreements, wide-spread mostly in the South of the EU) are an example of infrastructure where the user-pays principle is applied (the cost of the construction and maintenance of the infrastructure are covered by the users, and toll revenues are earmarked to the charged network). Do you see any difference between the quality of the maintenance of concession motorways and other motorways?

- ☐ Concession motorways are always better maintained than other motorways
x *Concession motorways are usually better maintained than other motorways*
☐ There is no significant difference between how motorways operated by private concessionaires and other motorways are maintained
☐ Concession motorways are less well maintained than other motorways
☐ I don't know / No view

Comments

Problem 2: Fair and efficient use of road transport infrastructure

Congestion

The cost of congestion (delay in the travel time caused by high traffic levels compared to a free flow situation) for the economy and society in the EU are estimated to amount to 1% of GDP on average, while in the more densely populated central regions of the EU the figure is closer to 2% of GDP. Congestion is not only an urban phenomenon: it extends to the entry and exit roads from the cities; inter-urban highways in heavily urbanised or industrialised areas; mountain crossings; roads with heavy transit traffic; roads under reconstruction; other roads with important tourist traffic; etc. Users of non-urban roads in areas such as South-East England, the Ruhr Region, the Benelux countries and the surroundings of main cities across Europe experience regular and frequent traffic jams.

The EU legislation on road charging concentrates on the inter-urban network, leaving congestion management in cities in the hands of local authorities.

7. In addition to being a problem in city centres, do you think that congestion on the inter-urban and suburban network is a major social and economic problem? The suburban network is defined, for the purpose of this questionnaire, as lying inside the less densely populated part of a large urban area (which can be within or outside the administrative boundaries of the city).*

- ☐ Yes, but only on the suburban network
☐ Yes, but only on the inter-urban network
x *Yes, on the suburban and the inter-urban network*
☐ No, congestion is a problem only within urban areas
☐ No, congestion is not a social and economic problem

☐ I don't know

Comments

8. Would you be in favour of charges for the use of the congested parts of the interurban road network during peak hours if it eased congestion problems?*

☐ Yes

☐ Yes, but the measure should be accompanied by adequate compensations for commuters and operators

☒ **No, I am against charging for the use of congested infrastructure in peak hours, even if it would ease congestion problems**

☐ I don't know

Comments

Commercial road transport operators form a small percentage of the total number of road users. It would not be fair to target those road users only when considering measures to reduce congestion, not least because these operators already heavily suffer from congestion in terms of extra costs caused by the additional fuel use and man hours.

9. If there were significant charges for the use of inter-urban roads during peak hours on your holiday/leisure route, would you be inclined to adapt your travel choices by:

(Several answers possible)*

☐ Travelling outside the morning and afternoon peak

☐ Choosing another mode of transport hours

☐ I wouldn't adapt my travel choices

☐ I never use my car for holiday/leisure

☒ **I don't know**

Comments

10. In your opinion, what would be the minimum level of additional inter-urban road charges during peak hours which would make people travel outside peak hours or choose another mode of transport than the car on an average 500km holiday route:*

☐ 5 eurocent/km or less (corresponds to 25 euro or less for the whole trip)

☐ 10 eurocent/km or less (corresponds to 50 euro or less for the whole trip)

☐ 20 eurocent/km or less (corresponds to 100 euro or less for the whole trip)

☐ 30 eurocent/km or less (corresponds to 150 euro or less for the whole trip)

☐ 40 eurocent/km or less (corresponds to 200 euro or less for the whole trip)

☐ Additional charges during peak hours would not make people change their use of the car for ☐ holiday travel

☒ **I don't know**

Comments

CONSULTATION RESPONSE

11. Would you be inclined to adapt your commuting habits to avoid peak hour charging on urban and suburban roads?*

- ☐ Yes
☐ No
☐ I don't use my car to commute
☒ *I don't know*

Comments

11 a. Then how would you adapt your commuting habits to avoid peak hour charging on urban and suburban roads?*

(Multiple answers possible, but at least 1 answer)

- ☐ I would consider using public transport
☐ I would consider using alternative means of transport (cycling, walking)
☐ I would consider car sharing
☐ I would consider working from home (i.e. teleworking)
☐ I would consider changing my commuting time
☒ *I don't know (yet)*

11 b. Why would you not be inclined to adapt your commuting habits to avoid peak hour charging on urban and suburban roads?*

- ☐ I would not be able to change my commuting habits
☐ I would not consider changing my commuting habits
☒ *I don't know*

Comments

12. In your opinion, what would be the minimum level of additional urban and suburban road charges during peak hours which would make people not using their car in peak hours for commuting (opting for one of the alternative solutions listed in the previous question) on an average one-way 10km commuting distance?*

- ☐ 10 cent/km or less (corresponds to 2 euro or less each weekday)
☐ 20 cent/km (corresponds to 4 euro each weekday)
☐ 40 cent/km (corresponds to 8 euro each weekday)
☐ 60 cent/km (corresponds to 12 euro each weekday)
☐ 80 cent/km (corresponds to 16 euro each weekday)
☐ Additional charges during peak hours would not make car users change their commuting habits
☒ *I don't know*

Comments

13. How much would, in your opinion, heavy goods vehicles need to be additionally charged (average additional cost/km) during peak hours for them to use the roads during off-peak hours instead?*

- ☐ 10 cent/km or less
☐ 20 cent/km

- ☐ 50 cent/km
☐ 1 euro/km or more
☒ ***I don't think that additional road charges would incentivise heavy goods vehicles not to use the roads during peak hours.***
☐ I don't know

Comments

Commercial road transport operators form a small percentage of the total number of road users. Commercial road transporters generally cannot choose the moment that they pick up or deliver freight, because it is customer-driven.

14. To what extent do you believe that additional charges in peak hours on heavy goods vehicles would contribute to modal shift (greater use of alternative modes such as short sea shipping, rail and inland waterways)?*

x No shift

- ☐ Slight shift
☐ Medium shift
☐ Substantial shift
☐ Very substantial shift
☐ Don't know / No view

Comments

First and foremost, the modal shift approach that the Commission appears to support in the White Paper is not acceptable and represents a policy u-turn from the modality approach that was enshrined in the 2006 mid-term review of the White Paper on Transport Policy.

Furthermore, the internalisation of externalities should not lead to the introduction of forced shifts between transport modes. AmCham EU strongly believes that any transport policy must be cross modal in design, since modal shift is neither possible nor suitable in the very large majority of traffic flows. On the contrary, effective modality allows the full supply chain ó including customer expectations ó to be considered, while each transport mode competes fairly on the basis of its own advantages and challenges. Infrastructure charging and taxation should allow all transport modes to be developed fairly in order to make co-modality work effectively in the transport mix and to ensure mobility and transport security.

Environmental impacts

Transport-related air pollution causes damage to humans, the biosphere, soil, water, buildings and materials. The most important pollutants from road transport are particulate matter (PM₁₀, PM₂₅), the breathing in of which has serious impacts on human health, carbon monoxide (CO) and nitrogen oxides (NOx). New vehicles marketed in the EU must respect increasingly stringent mandatory emission norms (so-called EURO classes), but the impact of those standards on overall pollution levels is delayed given the relatively slow rate of replacement of the fleet. Moreover, in spite of these standards, vehicles will continue to emit pollutants, even if at lower levels, in particular small particulates with detrimental effects on health. Also the noise generated by transport has a proven negative impact on the health of exposed human populations. Currently, EU legislation gives the possibility (but not the obligation) of introducing a noise and/or air pollution component in the tolls (distance charges) collected, subject to maximum values defined in the legislation.

Transport is also an important source of greenhouse gas (GHG) emissions, and the only economic sector where these emissions are still growing. Road transport accounts for just below 3/4 of the total GHG emissions from transport in the EU. Increased levels of GHG emissions are the main factor responsible for climate change. Energy taxation is often regarded as a cost-efficient way to charge for the costs of climate change. In practice in most Member States such taxation has no explicit component related to climate change. A Commission proposal to review the Energy Taxation Directive, currently discussed in the Council of the European Union, is however proposing the clear separation of the CO2 component of fuel taxes.

15. Do you agree that vehicles should be charged for the environmental costs which they generate (i.e. in accordance with the 'polluter pays' principle)?*

☐ Yes

☐ No

x I don't know / No view

For what costs should vehicles then be charged?

(Multiple answers possible with *at least 1 answer*)*

☐ For air pollution

☐ For noise

☐ For climate change

☐ For other environmental costs (please specify)

What other environmental costs?

None

Comments

While AmCham EU supports the 'polluter pays' principle and a level playing field for all transport modes, for environmental related costs the risk of double taxation is very high as some transport sectors these costs are already addressed through different regulations.

Consistent price signals

By putting a price on the social costs generated by transport users (notably the costs of infrastructure damage, congestion, noise and air pollution, and potentially climate change), road charges should in principle guide the users towards more sustainable transport choices. The variety of the pricing systems in the Member States (different vehicle coverage, average charge level, types of costs covered, network coverage, etc.) means however that users receive conflicting price signals depending on the country and route on which they travel. For instance, a heavy goods vehicle driving on a German motorway will pay an infrastructure charge in the range of 14-29 cents/km (depending on the vehicle class), but would not pay any charge on a parallel motorway in the neighbouring French region of Alsace. In Belgium, the same driver wouldn't be asked to pay a toll per km, but a fixed charge that would give him unlimited access to the road network during a defined period of time. The differences in the levels of (annual) vehicle taxation add to the confusion.

Examples of inconsistent and misleading price signals can also be observed at the national level. A heavy goods vehicle travelling from Lille to Paris is charged a toll on the relatively uncongested part of the motorway in a rural area until the toll booth in Senlis, but is not charged at all on the most congested and expensive to build stretch just before Paris.

CONSULTATION RESPONSE

16. Do you think that the differences in the type of charges and vehicle taxes between Member States distort competition between hauliers in the internal market?

- ☐ Not at all
☐ Slightly
☐ Significantly
☐ Very significantly
☒ **Don't know** / No view

Comments

17. Evidence collected in the past suggests that the introduction of a new tolling scheme results in the diversion of traffic to parallel, uncharged routes.

Do you agree that road charges on parallel routes must be coordinated both within and between Member States to avoid such traffic re-routing?

- ☐ Strongly agree
☐ Somewhat agree
☐ Somewhat disagree
☐ Strongly disagree
☒ **Don't know** / No opinion

Comments

18. Do you agree that road charges should send stronger and more precisely targeted price signals to use cleaner vehicles?*

- ☐ Strongly agree
☒ **Somewhat agree**
☐ Somewhat disagree
☐ Strongly disagree
☐ Don't know / No opinion

Comments

Even when there is no legal instrument which incentivises investments in cleaner vehicles, industry has a track record of deploying alternative fuel vehicles. The European automotive industry is developing and investing in different and new technologies at the same time, which will make the vehicles capable of running on a variety of energy sources, from alternative fuels (LPG, CNG) to long-term technologies such as electric cars and hydrogen powered cars. Road transport has already made significant progress in CO2 emissions reduction: average CO2 from new passenger cars has come down by almost 20 % in 13 years thanks to technological innovation, and CO2 for a typical European 40t-truck has been reduced by 20 % over the last 20 years. In addition, passenger cars now emit 95% less Nitrogen Oxide (NOx) and other pollutants compared to 1970 and heavy duty vehicles emissions were reduced by over 90 % since 1985. At this point however, one cannot determine which technology is more viable from an environmental and economical perspective. Additional research and investments are needed before the wide availability of renewable sources, sustainable fuels fit for purpose and breakthrough technologies are achieved. In the meantime,

conventional engine technologies, as well as readily available, economic alternative solutions, remain appropriate options. Also one should be cautious in prematurely determining winning and losing solutions, so one should follow a technology neutral approach. Therefore, additional targeted price signals are not advisable.

Problem 3: Patchwork of Road Charging Systems in Place

Lack of technical harmonisation of road charging

Charges for heavy goods vehicles to use roads exist in a majority of Member States. However, despite some harmonizing effects of EU legislation, there is still a patchwork of incompatible systems. Today, international hauliers need the Euro vignette, four different national vignettes and 11 different tags and tolling contracts to drive unhindered on EU roads. It has been frequently reported to the European Commission that this situation is the source of significant administrative burden.

19. At what level would you estimate the administrative costs and burden caused to hauliers by the lack of harmonisation of road charging systems in Europe?*

- ☐ Negligible
☐ Low
☐ Average
☒ **High**
☐ Very high

Comments

Harmonization in road charging schemes and, evidently, also in charging systems would lead to a highly welcome administrative simplification and a reduction of several obsolete costs.

20. Would you say that the lack of interoperability of electronic tolling systems is a particular problem?*

- ☒ **Yes**
☐ No
☐ I don't know

Comments

Harmonization in road charging schemes and, evidently, also in charging systems would lead to a highly welcome administrative simplification and a reduction of several obsolete costs.

21. Should toll booths be replaced by barrier-free electronic tolling?*

- ☐ Yes
☐ No
☐ It depends (specify the conditions)
☒ **I don't know**

Please specify the conditions*

Comments

22. Do you think that European toll services, i.e. services offering the possibility to use all tolled roads with one contract and one on-board unit, should be made available on all tolled roads?*

- ☐ Yes, for heavy goods vehicles, if it doesn't result in any increase in tolls
- ☐ Yes, for heavy goods vehicles, even if it does result in a small increase in tolls
- ☒ **Yes, for all vehicles, including cars, if it doesn't result in any increase in tolls**
- ☐ Yes, for all vehicles, even if it does result in a small increase in tolls
- ☐ No
- ☐ I don't know

Comments

The introduction of a harmonised road charging scheme should go hand-in-hand with a harmonised (interoperable) charging system. However, under no circumstance should the charging system trigger higher costs for road users.

23. Do you think that toll operators should be obliged to offer European toll services?*

- ☐ Yes, for heavy goods vehicles
- ☒ **Yes, for all vehicles, including cars**
- ☐ No (please explain why)
- ☐ I don't know

Please explain why?

The introduction of a harmonised road charging scheme should go hand-in-hand with a harmonised (interoperable) charging system. However, under no circumstance should the charging system trigger higher costs for road users.

Comments

24. One of the main reasons for which governments hesitate to introduce electronic tolling schemes is the high operating cost of such systems.

Do you expect the cost of collecting tolls under an electronic toll system (set-up, operation and enforcement) to decrease in the next 10 years? If yes, by how much?*

- ☐ They will not decrease
- ☐ 20%
- ☐ 50%
- ☐ 70%
- ☐ 90% or more
- ☐ They will decrease, but I don't know by how much
- ☒ **I don't know**

Comments

25. In your opinion, would greater technical harmonisation of road charging systems in Europe help reduce the operating costs of electronic tolling systems?

*

- ☐ Not at all
☐ Slightly
☒ **Substantially**
☐ Very substantially

Comments

Problem 4: Transparency in levying charges and setting tariffs

The ~~Eurovignette~~ Directive put in place a mandatory common methodology for calculating the infrastructure costs which serve as a basis for setting tolls for heavy goods vehicles. It also established maximum values for the prices of daily, weekly, monthly and yearly HGV vignettes. Thanks to these provisions, a minimum level of transparency in the way road charges for trucks are established and changed is ensured; still, tolling arrangements on concessions which existed before 2008 are not subject to those obligations.

The situation is even more problematic in the case of vignettes and tolls applying to cars and other light vehicles, for which no specific EU legislation exists. Cases of abusive practices and discrimination of occasional users are frequently reported.

26. Usually car users are less responsive than hauliers to the price signals created by road tolls. It is sometimes stated that they lack a clear picture of the tolling costs associated with a trip. How do you feel informed about such costs?*

- ☒ I don't feel informed at all
☐ I feel somewhat informed
☐ I feel fully informed
☒ **Don't know / No view**

Comments

There is a lack of transparency in the use of road charges. This can be solved by making earmarking mandatory.

27. Should the rationale behind the level of road tolls and vignette prices be explained in a more transparent manner?

Do you think that users should be consulted directly or indirectly (through professional organisations which represent their interests) when toll levels/vignette prices are modified?*

- ☐ Yes, the information should be provided in a more transparent manner
☒ **Yes, the information should be provided in a more transparent manner and users should be consulted when toll levels are modified**
☐ No
☐ I don't know

Comments

CONSULTATION RESPONSE

28. Would you like to recommend specific measures to improve the transparency in the levying of charges and the setting of tariffs?

29. Are you aware of situations where road users are regularly exposed to problems or discriminatory treatment related to road charging in the EU?*

☐ Yes

☒ No

29a. Please indicate what kind of situations you are referring to.

*(Multiple answers are possible and at least 1 answers)**

- ☐ Situations of discriminatory treatment
- ☐ Situations of disproportionate rates being applied
- ☐ Situations of no proper access to information
- ☐ Situations where the collection and the payment is too complicated and leads to loss of time
- ☐ Situations where enforcement practices are not appropriate,
- ☐ Other kind of problems

Please describe these situations of discriminatory treatment

Please describe these situations of disproportionate rates being applied

Please describe these situations of no proper access to information

Please describe these situations where the collection and the payment are too complicated and leads to loss of time

Please describe these situations where enforcement practices are not appropriate

Please describe these other problems

Comments

Part III. Possible ways of implementing road charges

Earmarking

In EU law road charges are payments in exchange for which motorists are given the right to use road infrastructure over a certain distance or for a certain period of time. It is often argued that the revenues from road charging should be reinvested in the

transport sector and be used to increase its quality. This argument is gaining strength as public sources of funds are drying out and transport infrastructure is degrading.

On the other hand, when revenues from road charges are collected by the state, they could also usefully be dedicated to facilitate fiscal consolidation (i.e. reduce state budget deficits and debt) and reduce distortive taxes (e.g. labour taxes) to improve the competitiveness of the economy.

30. In your opinion, how should the revenues from road charges be used?
You may pick and rank up to 5 uses of revenues, where 1 indicates the best use, 2 the second best, etc.

You cannot give the same rank to two different uses.

- a: 1
- b: 2
- c: 3
- d: 4
- e: 5

	a	b	c	d	e
Developing and/or maintaining national road Infrastructure	x	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Sustainable transport, including public transport and transport research	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
A European transport fund for developing and maintaining transport infrastructure of European importance	<input type="checkbox"/>	x	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Reduction of transport taxes (e.g. vehicle taxes, fuel duties)	<input type="checkbox"/>	<input type="checkbox"/>	x	<input type="checkbox"/>	<input type="checkbox"/>
Reduction of labour taxes	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	x	<input type="checkbox"/>
Fiscal consolidation	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Other (please specify)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

If you chose "Other" then please specify.

30a. If you chose "developing and/or maintaining national road infrastructure": Would the binding obligation for Member States to adequately maintain the charged road network be a satisfactory alternative to mandatory earmarking?

- ☐ Yes
- ☒ No
- ☐ I don't know

Comments

This would not suffice to have a transparent system. Mandatory earmarking would.

Restructuring taxes and charges towards fuller application of the 'user pays' principle

Road users pay a lot of taxes, such as registration taxes, annual circulation taxes, fuel excise duties or VAT, although different taxes apply in different countries. It is often argued that the fuel excise duty alone is at a level which would be enough to cover the main external costs of road transport. However, due to the character of general taxation, current taxes fail to sufficiently steer users towards more sustainable behaviour such as using infrastructure outside of peak hours, using cleaner vehicles or using public transport. The various existing charges and taxes should be restructured in the direction of the wider application of the 'user-pays' and 'polluter pays' principles, to achieve a system where the payment has a direct link to the level of costs generated by the transport user.

31. In your view, which of the following would best lead to the fuller application of the 'user pays' principle?*

- | | |
|--|---|
| <input type="checkbox"/> Distance-based charges (tolls)
(vignettes) | <input type="checkbox"/> Time-based charges |
| <input type="checkbox"/> Increased fuel duties | <input type="checkbox"/> Increased vehicle taxes |
| <input type="checkbox"/> It depends (specify) | <input checked="" type="checkbox"/> Don't know |

Please specify*

Comments

32. Would you support the introduction of new road charges if they were partly compensated by the general reduction of other taxes?*

☒ **Yes, but they should be fully compensated.**

- ☐ No, the introduction of road charges should not be compensated
- ☐ No, I would not support the introduction of new road charges
- ☐ don't know / No view

32a. Which taxes should be reduced?*

(at least 1 answers)

- | | |
|--|--|
| <input checked="" type="checkbox"/> Registration taxes | <input checked="" type="checkbox"/> Annual vehicle taxes |
| <input checked="" type="checkbox"/> Fuel excise duties | <input type="checkbox"/> VAT on transport |
| <input type="checkbox"/> Labour charges | <input checked="" type="checkbox"/> Other (please specify) |

Please specify 'Other'

Due to the patchwork of taxes, charges and duties related to the use of infrastructure in the EU Member States, it is difficult to pinpoint one, but any taxes, charges or duties related to infrastructure should be reduced.

Comments

Budget-neutrality should be respected, i.e. there should not be an overall increase of all taxes, levies and charges already paid by road users.

33. Please indicate if you have any views on the proportion of new road charges that should be used to reduce other taxes

CONSULTATION RESPONSE

Budget-neutrality should be respected, i.e. there should not be an overall increase of all taxes, levies and charges already paid by road users.

Cost components of road charges

The observed differences in the road charging systems in the EU partly reflect the lack of consensus on the costs to be covered. EU legislation makes the link to infrastructure costs mandatory for charging schemes on the main inter-urban network, but not the internalisation of the costs of noise and air pollution, which remains optional. Tolls (distance-based charges) can be modulated to reflect congestion. However current legislation as regards charging of heavy goods vehicles requires the recalculation and adjustment of the toll rate every two years to ensure revenue neutrality (i.e. that the revenue raised as a result of such charging should not increase). Applying congestion charges based on congestion costs that would allow an increase in the revenue taken are not allowed. The cost of climate change and of the external part of the cost of accidents cannot currently be internalised through road charges. In relation to the external cost of accidents, however, there is broad consensus that they are better internalised through insurance premiums.

34. Should road charges for heavy goods vehicles reflect the cost of wear and tear?*

- ☐ Always
- ☐ In most cases (specify the exceptions)
- ☒ Sometimes (specify in which case)
- ☐ Never
- ☐ I don't know

Please specify*

Road charging reflecting the cost of wear and tear is only acceptable when similar schemes aimed at internalizing external costs of all road users and all modes of transport are in place. There should no be double taxation (e.g. following new noise and/or CO2 regulations), and the schemes should meet proportionality, effectivity and transparency principles.

Comments

35. Should road charges for heavy goods vehicles reflect the cost of air pollution?*

- ☐ Always
- ☐ In most cases (specify the exceptions)
- ☒ Sometimes (specify in which case)
- ☐ Never
- ☐ I don't know

Please specify*

Road charging reflecting the cost of air pollution is only acceptable when similar schemes aimed at internalizing external costs of all road users and all modes of transport are in place. There should no be double taxation (e.g. following new noise and/or CO2 regulations), and the schemes should meet proportionality, effectivity and transparency principles.

Comments

36. Should road charges for heavy goods vehicles reflect the cost of noise pollution?*

- ☐ Always
☐ In most cases (specify the exceptions)
☒ **Sometimes** (specify in which case)
☐ Never
☐ I don't know

Please specify*

Road charging reflecting the cost of noise pollution is only acceptable when similar schemes aimed at internalizing external costs of all road users and all modes of transport are in place. There should no be double taxation (e.g. following new noise and/or CO2 regulations), and the schemes should meet proportionality, effectivity and transparency principles.

Comments

37. Should road charges for cars and other light vehicles reflect the cost of wear and tear?*

- ☐ Always
☐ In most cases (specify the exceptions)
☒ **Sometimes** (specify in which case)

Road charging reflecting the cost of wear and tear is only acceptable when similar schemes aimed at internalizing external costs of all road users and all modes of transport are in place. There should no be double taxation (e.g. following new noise and/or CO2 regulations), and the schemes should meet proportionality, effectivity and transparency principles.

- ☐ Never
☐ I don't know

38. Should road charges for cars and other light vehicles reflect the cost of air pollution?*

- ☐ Always
☐ In most cases (specify the exceptions)
☒ **Sometimes** (specify in which case)
☐ Never
☐ I don't know

Please specify*

Road charging can only be fair and non-discriminatory when all road users contribute their fair share, including for air pollution. There should no be double taxation (e.g. following new noise and/or CO2 regulations), and the schemes should meet proportionality, effectivity and transparency principles.

Comments

39. Should road charges for cars and other light vehicles reflect the cost of noise pollution?*

- ☐ Always
- ☐ In most cases (specify the exceptions)
- ☒ **Sometimes** (specify in which case)
- ☐ Never
- ☐ I don't know

Please specify*

Road charging can only be fair and non-discriminatory when all road users contribute their fair share, including for noise pollution. There should no be double taxation (e.g. following new noise and/or CO2 regulations), and the schemes should meet proportionality, effectivity and transparency principles.

Comments

40. Should external costs other than air and noise pollution be internalised through road charges?*

- ☐ Congestion
- ☐ Climate change as long as there is no explicit climate change component in the fuel taxes
- ☐ Both congestion and climate change
- ☐ Other (please specify)
- ☐ All of the above
- ☒ **No**
- ☐ I don't know / No view

Comments

The inclusion of any of the above elements would lead to double taxation and is thus not acceptable.

41. Should road users pay for driving in peak hours?*

- ☐ Yes
- ☐ Yes, where congestion is significant in peak hours
- ☒ **No**
- ☐ I don't know / No view

Comments

Please specify*

42. If congestion charging were introduced, what form should it take?*

- ☐ A charge that varies by time, but overall revenues should not be allowed to increase (as is currently the case under the Eurovignette Directive revised by Directive 2011/76/EU)
- ☐ A charge that varies by time and that can lead to an increase in revenues, as much as necessary to discourage peak-hour traffic
- ☒ **I do not support congestion charging**
- ☐ I don't know / No view

Comments

43. Where road users have to pay for driving in peak hours, should the charge apply to all vehicles?*

x **Yes**

☐ Yes, except certain vehicles used for services of public interest

☐ No

☐ I don't know / No view

43a. Please specify to which vehicles it should not apply and why*

AmCham EU does not support peak charging.

Comments

44. Should construction costs be recovered through road charges?*

☐ Always

☐ Only a part if costs cannot be spread over a sufficient number of users

☐ Only if the road is (co-)financed in the framework of a Public Private Partnership (PPP)

x **No**

☐ I don't know / No view

Comments

Similar to other modes of transport, construction costs cannot be recovered by such charging scheme. Investments in (road) transport infrastructure create a better functioning transport system and bring society-wide benefits as they contribute to economic recovery, reduce congestion, emissions and accidents, create jobs, and result in lasting assets.

Maximum toll values

In order to protect occasional users from discrimination, EU legislation provides for maximum levels of time-based charges (vignettes) applicable to heavy goods vehicles and specifies the maximum ratios between the prices of long-term and short-term vignettes. The Commission has made recommendations concerning vignettes for cars which go in a similar direction, but these recommendations have no binding effect. EU legislation also provides a common methodology to be used for calculating infrastructure costs and puts caps on the optional environmental charges. The different cost estimates and methodologies have not been reviewed & even to reflect increases in inflation & since the adoption of the relevant pieces of legislation (for the infrastructure costs, this legislation dates back to 1999).

45. Should the methodology to calculate infrastructure costs (Annex III to the Eurovignettes Directive) be improved?*

☐ Yes

x **No**

☐ I don't know / No view

45a. On which aspects and how?*

Comments

46. Should the caps on external cost charges introduced by Directive 2011/76/EU be adjusted to inflation and/or updated to reflect the progress achieved in assessing the external costs of transport?*

- ☐ Adjusted to inflation only
- ☐ Updated to reflect the progress achieved in assessing the external costs of transport
- ☐ Adjusted to inflation and updated to reflect the progress achieved in assessing the external costs of transport
- ☒ *Should be left unchanged*
- ☐ I don't know / No view

Comments

47. In mountainous regions, the external cost charge can be up to 100% higher than the caps introduced by Directive 2011/76/EU. In some cases, this is however still not enough to reflect the full environmental costs of transport in such areas. In that light, do you think that the caps on external cost charges should be removed to allow higher tolls in the most vulnerable areas and areas most exposed to pollution (e.g. the Alps, heavily urbanised areas, etc.)?*

- ☐ Yes
- ☐ Yes, but ensuring that external costs charges do not discriminate against occasional (international) users
- ☒ *No*
- ☐ I don't know / No view

Comments

There is no transparent and objective justification to introduce higher tolls.

48. Do you think that the EU should define rules on vignette prices to avoid discrimination against occasional users (e.g. the price of the weekly vignette cannot exceed 5% of the price of the yearly vignette)?*

- ☒ *Yes*
- ☐ No
- ☐ I don't know / No view

Comments

Priorities at EU level

The questions presented in this final section come back to the issues addressed by the questions above to see where the priority needs for coordinated action in Europe should be.

49. Is more coordinated action needed in Europe to secure the financial sustainability of transport infrastructure?*

- ☐ Yes, urgently
- ☒ *Yes*

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- ☐ No
☐ Don't know / No opinion

Comments

50. Is more coordinated action needed in Europe to effectively promote sustainable transport and hence help Member States to tackle the problems of congestion and pollution?*

- ☐ Yes, urgently
☒ **Yes**
☐ No
☐ Don't know / No opinion

Comments

51. Should measures be taken to ensure a convergence of the different road charging schemes in Europe and to avoid traffic detours, administrative burden, distortion in the internal market and other negative impacts (please specify)?*

- ☐ Yes, urgently
☒ **Yes**
☐ No
☐ Don't know / No opinion

Please specify and comment

It should be insured that such a convergence is budget-neutral, i.e. that there should not be an overall increase of all taxes, levies and charges already paid by road users.

52. Should measures be taken to accelerate the move toward more consistent road charging in Europe, based on the most efficient solutions such as distance-based charging?

- ☐ Yes, urgently
☐ Yes
☒ **No**
☐ Don't know / No opinion

Comments

It should be primarily insured that a more consistent road charging scheme is budget-neutral, i.e. that there should not be an overall increase of all taxes, levies and charges already paid by road users.

53. Should measures be taken to accelerate the deployment of electronic tolling systems allowing barrier-free tolling and avoiding toll booths?*

- ☐ Yes, urgently
☒ **Yes**
☐ No
☐ Don't know / No opinion

Comments

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The introduction of a harmonized road charging scheme should go hand-in-hand with a harmonized (interoperable) charging system. In no circumstance should the charging system trigger higher overall costs for road users.

54. Should additional measures be taken to rapidly achieve a European Electronic Toll Service, allowing seamless use of all networks subject to electronic tolling?*

☒ **Yes, urgently**

☐ Yes

☐ No

☐ Don't know / No opinion

Comments

The introduction of a harmonized road charging scheme should go hand-in-hand with a harmonized (interoperable) charging system. In no circumstance should the charging system trigger higher overall costs for road users.

55. Should measures be taken to ensure that tourists and other occasional road users are protected from discriminatory practices (such as disproportionately higher tolls or vignettes, difficult access to information and payment system) on charged roads when travelling abroad?*

☒ **Yes, urgently**

☐ Yes

☐ No

☐ Don't know / No opinion

Comments

Part IV. Comments and Suggestions

56. Do you have any other suggestions concerning the upcoming possible initiative on road charging?

No.

You may also email these suggestions to MOVE-ROAD-CHARGING@ec.europa.eu

Useful links

Europa page about this Public Consultation:

http://ec.europa.eu/transport/road/consultations/2012-11-04-roadcharging_en.htm

AmCham EU speaks for American companies committed to Europe on trade, investment and competitiveness issues. It aims to ensure a growth-orientated business and investment climate in Europe. AmCham EU facilitates the resolution of transatlantic issues that impact business and plays a role in creating better understanding of EU and US positions on business matters. Aggregate U.S. investment in Europe totaled \$2.2 trillion in 2010 and directly supports more than 4.2 million jobs in Europe.

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