Transport infrastructure: common charging framework, fair payment for use. White paper

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PURPOSE: this White Paper proposes a phased approach to a common transport infrastructure charging framework in the EU. CONTENT: this White Paper explains how infrastructure charging reform can solve many of the transport sector's problems, and help develop European transport services. It has evolved out of the discussions on the 1993 Commission White Paper on "The future development of the common transport policy", the 1995 Commission Green Paper "Towards fair and efficient pricing in transport", the 1996 report of the high level group on infrastructure charging and the 1998 report of the high level group on infrastructure charging. The great diversity of infrastructure charging systems across modes of transport and Member States undermines the efficiency and sustainability of Europe's transport system. This situation gives rise to significant distortions of competition within and between modes, often on the basis of the nationality of the transport provider. That is why the Commission considers that a gradual and progressive harmonisation of charging principles in all major commercial modes of transport is required. It is proposed that the charging systm be based on the "user pays" principle - i.e. all users of transport infrastructure should pay for the costs, including environmental and other external impacts, they impose, at, or as close as possible to the point of use. The Commission proposes a progressive three-phase approach to implementation, to be accompanied by an advisory committee from Member States experts and with the full involvement of all stakeholders: - phase one (1998-2000) would involve seeking agreement on methodologies for measuring marginal costs and promoting the idea of charging at point of use. Charges up to average costs would generally be accepted; - phase two (2001-2004) would involve adapting particular charges better to reflect the new approach and to harmonise charging systems between modes. In this phase, it is proposed that charges should in general be set at total social marginal costs, that is marginal infrastructure and external costs; - phase three (beyond 2004) would be to further implement harmonised charging principles, both in terms of the marginal cost basis and the consistency of cost estimation. The level of Community wide charges for externalities should also be reviewed and mandatory charging structures, but not levels, for local externalities could also be considered. Hence, the Commission's proposed three-phased approach to fair and efficient charging in transport would ensure that an efficient, cost related approach is taken to charging for infrastructure use, in all Member States, and across modes.