Road transport: charging of heavy goods vehicles and infrastructures fees

2003/0175(COD) - 06/09/2005 - Council position

In its opening comments, the Council notes that it has taken the Council eighteen months to reach a political agreement on the matter of the “Eurovignette” Directive. This is thanks in no small part to the differing interests of the EU Member States, depending by and large on their geographical location and whether or not they are at the centre or periphery of the internal market. The Council also notes that discussions were taken within the context of the White Paper on European Transport for 2010, where the crucial role of effective charging for transport infrastructure is highlighted. In its Common Position, the Council has sought to:

- Address the problems of congestion and environmental damage.
- Provide a means to raise additional financing for investment into alternative infrastructure.
- Make the setting of tolls more transparent as well as objective.
- Adapt the legal framework to a PPP model for financing future infrastructure work.

Specifically speaking, on the question of tackling congestion and damage to the environment the Council proposes that toll variation is the most appropriate methodology. Thus, the ability to vary tolls according to EURO class and time of day is the principal mechanism envisaged for dealing with congestion and the subsequent environmental damage this entails. Under the variation model, a heavy, polluting lorry travelling at a busy time of day could end up paying perhaps four times more than a lighter, cleaner vehicle travelling at a quieter time. This effect would be further enhanced by the introduction of “zero rating” at certain times of the day. As a safeguard measure the Council proposes making any revenue raised from the variation schemes neutral.

An alternative financing infrastructure, being proposed by the Council is the “Mark-up” model. Here, the Council accepts the need for a mark-up on tolls in mountainous areas on roads prone to congestion. For cross border cases the level of 25% has been retained, 15% being the maximum for non-cross-border cases. However, Parliamentary proposals to extend mark-up to polluted urban zones was not taken onboard, even though a requirement for mark-up revenue to be reused for cross-border financing of TEN priority projects is retained.

Regarding the definition of “Construction Costs”, the Common Position includes a new definition as a means of defining the historic costs, which can be taken into account when calculating toll levels. The Council’s text takes account of Parliamentary suggestion to permit only a portion of these costs. The new text, however, uses lifetime, rather than the extent of amortisation, as the reference for this apportioning.

On the matter of “allowable costs”, the Common Position accepts the need to develop in more detail the costs on which tolls may be based. Thus, Parliamentary suggestion to delete uninsured accident costs, the inclusion of a return on capital and clarification that these are maximum level, has been taken on board by the Council.

Concerning the matter of “frequent users”, the Council proposes provisions containing a percentage limit for frequent user discounts.

Concerning the methodology of calculation principles found in Annex III, the Commission methodology has been expanded into a set of comprehensive principles for cost calculation and allocation. They will be binding on all future tolling systems introduced, although in an indirect manner for concession-based

systems. Any updates and clarifications can be conducted by the Commission through the comitology procedure. In addition, the Commission is given greater authority to oversee the system and verify compliance of new tolling arrangements.

In its Common Position, the Council has sought to make the Directive compatible with Public Private Partnership. Under this policy, new definitions have been introduced and include, for example, special treatment for construction costs, the possibility for tolls to include a profit margin and indirect application to concession contracts of the supervision system.

Significantly, the Council has considerably re-worded the Scope of the Directive. Thus, Member States can retain the ability to decide which part of their TEN network is tolled and whether or not they wish to limit tolling to heavier vehicles. In other places, the Council has sought to limit the flexibility suggested by the Commission for Member States to charge very high tolls on certain routes.

Lastly, regarding compensation for road users, the Council, together with the European Parliament, expresses concern that the Commission's proposed scheme to compensate hauliers for any new costs they may face from tolling schemes could be discriminatory. As a result the Common Position deletes the article outlying the originally proposed compensation scheme. It is replaced, instead by a recital, which refers to other means of providing for compensation in another form. For example, reduced fuel taxation.

The Council concludes that it has made intense and sustained efforts to reach agreement on the proposed "Eurovignette" Directive given its importance to the EU's wider transport policy. It proposes that the Common Position establishes a legal framework that is both clear and easy to implement but which, at the same time acts as an effective tool for addressing environmental and congestion problems across the EU. According to the Council, the text as it now stands, achieves real, identifiable and tangible improvements to the 1999 Directive, carefully balancing the needs of a sustainable transport policy with that of the internal market.