# 2017/0114(COD) COD - Ordinary legislative procedure (ex-codecision procedure) Directive Charging of heavy goods vehicles for the use of certain infrastructures Amending Directive 1999/62/EC 1996/0182(COD) Subject 3.20.05 Road transport: passengers and freight 3.70.02 Atmospheric pollution, motor vehicle pollution 3.70.15 Environmental taxation

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European Parliament	Committee responsible	Rapporteur	Appointed
	TRAN Transport and Tourism	FERRANDINO Giuseppe (S&D)	26/09/2019
		Shadow rapporteur	
		THALER Barbara (EPP)	
		RIQUET Dominique (Renew)	
		DEPARNAY-GRUNENBERG Anna (Greens/EFA)	
		PORĘBA Tomasz Piotr (ECR)	
		HAIDER Roman (ID)	
	Former committee responsible	Former rapporteur	Appointed
	TRAN Transport and Tourism	REVAULT D'ALLONNES BONNEFOY Christine (S&D)	04/07/2017
	Former committee for opinion	Former rapporteur for opinion	Appointed
	ECON Economic and Monetary Affairs	The committee decided not to give an opinion.	
	ENVI Environment, Public Health and Food Safety (Associated committee)	DANCE Seb (S&D)	21/06/2017

European Union

European Commission

Commission DG	Commissioner
Mobility and Transport	BULC Violeta

European Economic and Social Committee

European Committee of the Regions

Date	Event	Reference	Summary
31/05/2017	Legislative proposal published	COM(2017)0275	Summary
15/06/2017	Committee referral announced in Parliament, 1st reading		
16/11/2017	Referral to associated committees announced in Parliament		
24/05/2018	Vote in committee, 1st reading		
24/05/2018	Committee decision to open interinstitutional negotiations with report adopted in committee		
07/06/2018	Committee report tabled for plenary, 1st reading	A8-0202/2018	Summary
11/06/2018	Committee decision to enter into interinstitutional negotiations announced in plenary (Rule 71)		
13/06/2018	Committee decision to enter into interinstitutional negotiations confirmed by plenary (Rule 71)		
24/10/2018	Debate in Parliament	<u>@</u>	
25/10/2018	Decision by Parliament, 1st reading	T8-0423/2018	Summary
25/10/2018	Results of vote in Parliament	F	
24/09/2019	Committee decision to open interinstitutional negotiations after 1st reading in Parliament		
09/10/2019	Committee decision to enter into interinstitutional negotiations announced in plenary (Rule 72)		
12/07/2021	Approval in committee of the text agreed at early 2nd reading interinstitutional negotiations	PE695.012 PE695.169	
18/11/2021	Council position published	10542/1/2021	
25/11/2021	Committee referral announced in Parliament, 2nd reading		
13/01/2022	Vote in committee, 2nd reading		
18/01/2022	Committee recommendation tabled for plenary, 2nd reading	A9-0006/2022	Summary
16/02/2022	Debate in Parliament	$\odot$	
17/02/2022	Decision by Parliament, 2nd reading	T9-0047/2022	Summary
24/02/2022	Final act signed		

Technical information	
Procedure reference	2017/0114(COD)
Procedure type	COD - Ordinary legislative procedure (ex-codecision procedure)
Procedure subtype	Legislation
Legislative instrument	Directive
Amendments and repeals	Amending Directive 1999/62/EC 1996/0182(COD)
Legal basis	Treaty on the Functioning of the EU TFEU 091-p1
Other legal basis	Rules of Procedure EP 165
Mandatory consultation of other institutions	European Economic and Social Committee European Committee of the Regions
Stage reached in procedure	Procedure completed
Committee dossier	TRAN/9/01267

## **Documentation gateway**

## European Parliament

Document type	Committee	Reference	Date	Summary
Committee draft report		PE615.363	08/01/2018	
Amendments tabled in committee		PE615.519	23/02/2018	
Amendments tabled in committee		PE618.222	23/02/2018	
Amendments tabled in committee		PE618.188	01/03/2018	
Committee opinion	ENVI	PE613.289	28/03/2018	
Committee report tabled for plenary, 1st reading/single reading		A8-0202/2018	07/06/2018	Summary
Text adopted by Parliament, 1st reading/single reading		T8-0423/2018	25/10/2018	Summary
Text agreed during interinstitutional negotiations		PE695.012	14/07/2021	
Committee letter confirming interinstitutional agreement		PE695.169	14/07/2021	
Committee draft report		PE700.379	16/11/2021	
Amendments tabled in committee		PE700.698	14/12/2021	
Committee recommendation tabled for plenary, 2nd reading		A9-0006/2022	18/01/2022	Summary
Text adopted by Parliament, 2nd reading		T9-0047/2022	17/02/2022	Summary

## Council of the EU

Document type	Reference	Date	Summary
Council position	10542/1/2021	18/11/2021	
Draft final act	00004/2022/LEX	24/02/2022	

## **European Commission**

Document type	Reference	Date	Summary

Legislative proposal	COM(2017)0275	31/05/2017	Summary
Document attached to the procedure	SWD(2017)0180	31/05/2017	
Document attached to the procedure	SWD(2017)0181	31/05/2017	
Commission response to text adopted in plenary	SP(2018)755	21/11/2018	
Commission communication on Council's position	COM(2021)0693	16/11/2021	

## National parliaments

Document type	Parliament /Chamber	Reference	Date	Summary
Contribution	NL_CHAMBER	COM(2017)0275	13/07/2017	
Contribution	IT_SENATE	COM(2017)0275	04/08/2017	
Reasoned opinion	AT_BUNDESRAT	PE609.367	29/08/2017	
Contribution	RO_SENATE	COM(2017)0275	02/10/2017	
Contribution	CZ_SENATE	COM(2017)0275	23/10/2017	
Contribution	FR_ASSEMBLY	COM(2017)0275	13/03/2018	

### Other institutions and bodies

EESC Economic and Social Committee: CES2888/2017 18/10/2017  CofR Committee of the Regions: opinion CDR3560/2017 01/02/2018	Institution/body	Document type	Reference	Date	Summary
CofR Committee of the Regions: opinion CDR3560/2017 01/02/2018	EESC		CES2888/2017	18/10/2017	
	CofR	Committee of the Regions: opinion	CDR3560/2017	01/02/2018	

Additional information				
Source	Document	Date		
EP Research Service	Briefing			

# Meetings with interest representatives published in line with the Rules of Procedure

## Rapporteurs, Shadow Rapporteurs and Committee Chairs

Transparency					
Name	Role	Committee	Date	Interest representatives	
THALER Barbara	Shadow rapporteur	TRAN	08/09/2023	Wirtschaftskammer Österreich	

#### Final act

Directive 2022/0362 OJ L 069 04.03.2022, p. 0001

Corrigendum to final act 32022L0362R(02) OJ L 227 01.09.2022, p. 0133

# Charging of heavy goods vehicles for the use of certain infrastructures

2017/0114(COD) - 18/01/2022 - Committee recommendation tabled for plenary, 2nd reading

The Committee on Transport and Tourism adopted the recommendation for second reading contained in the report by Giuseppe FERRANDINO (S&D, IT) on the Council's position at first reading with a view to the adoption of a directive of the European Parliament and of the Council amending Directives 1999/62/EC, 1999/37/EC and (EU) 2019/520 with regard to the charging of vehicles for the use of certain infrastructures.

The committee responsible recommended that the European Parliament approve the Council's position at first reading without amendments.

This proposal amends directive 1999/62/EC on the charging of heavy goods vehicles for the use of certain infrastructures in order to:

- strengthen the application of the 'user pays' and 'polluter pays' principles;
- make an adequate contribution to the financing of road infrastructure;
- reduce congestion;
- stimulate the decarbonisation of transport: and
- contribute to the achievement of the climate objectives.

The European Parliament adopted its first reading position in plenary on 25 October 2018. In its position, Parliament further strengthened the application of the 'polluter pays' principle. At the beginning of the new legislature, the TRAN Committee adopted a decision on 24 September 2019 to start inter-institutional negotiations on the basis of the first reading report.

For its part, the Council adopted its general approach to the negotiations on 18 December 2020. The inter-institutional negotiations started on 29 January 2021 and were successfully concluded on 15 June 2021, under the Portuguese Presidency, after three trialogues. On 30 June 2021, Coreper endorsed the provisional agreement and on 12 July 2021, the TRAN Committee confirmed it.

The agreement reached improves the provisions of the existing directive on a number of issues:

- the phasing out of vignettes (time-based charges) for heavy goods vehicles on the core trans-European network and a shift to distance-based charging, with certain exemptions and the possibility of a combined system, with the aim of enshrining the 'polluter pays' and 'user pays' principles;
- a 'greening' of road charging for heavy goods vehicles and light commercial vehicles by introducing the obligation to vary road charges according to CO2 emissions and/or the environmental performance of the vehicle, as well as mandatory external cost charging for trucks to cover the external cost of air pollution;
- addressing congestion by introducing the possibility to charge all vehicles a congestion charge. The Council's position now provides that the revenues generated by the (optional) application of congestion charges, or their equivalent in financial value, are used to solve the congestion problem, or to develop sustainable modes of transport and mobility in general;
- the introduction of price caps for short-term vignettes for passenger cars, including the obligation to offer a one-day vignette to transit travellers;
- an extension of the scope of application. While the current rules apply almost exclusively to heavy goods vehicles over 12 tonnes, the agreement covers all trucks, buses and light commercial vehicles. This means that if Member States decide to apply road charges to these vehicles, they will have to be non-discriminatory, environmentally friendly and fair;
- the introduction of review clauses allowing the Commission to assess the implementation and effectiveness of the Directive with regard to the taxation of light-duty vehicles, as well as the technical and legal feasibility of the differentiated treatment of light-duty vehicles; the introduction of a review and sunset clause in case road transport is included in a future carbon pricing mechanism, in order to avoid double charging.

# Charging of heavy goods vehicles for the use of certain infrastructures

The European Parliament approved the Council's position at first reading with a view to the adoption of a directive of the European Parliament and of the Council amending directives 1999/62/EC, 1999/37/EC and (EU) 2019/520 on the charging of vehicles for the use of certain infrastructures.

The proposed directive revises Directive 1999/62/EC (Eurovignette) on the charging of heavy goods vehicles for the use of certain infrastructures in order to:

- strengthen the application of the 'user pays' and 'polluter pays' principles;
- properly contribute to the financing of road infrastructure;
- address congestion;
- boost transport decarbonisation; and
- contribute to the implementation of the Paris Agreement and to the EU's climate objectives by reducing CO2 emissions from road transport.

The main elements of the Council's position are as follows:

#### General charging principles

The Directive provided that - vehicles - be they light - or heavy-duty vehicles or vehicle types within such categories - can be charged independently from each other. Nevertheless, where passenger cars are charged, light commercial vehicles have to be also charged at an equal level or higher.

Member States can decide to maintain the status quo of existing concession contracts, while not applying the new charging rules until the contract has been renewed or the tolling or charging arrangement has been substantially amended.

Member States can provide for reduced tolls or user charges or exemptions from the obligation to pay tolls or user charges in specific cases (e.g. for zero emission vehicles with a technically permissible maximum laden mass up to 4.25 tonnes).

The user charges for heavy-duty vehicles will be phased out on the core TEN-T network within eight years of the entry into force of the directive. As a derogation from the general principle of phasing-out, exemptions are allowed in duly justified cases, after notifying the scheme to the Commission.

Two review clauses should allow the Commission to assess the implementation and effectiveness of the directive with regard to the charging of light-duty vehicles as well as the technical and legal feasibility of differentiating the treatment of light commercial vehicles.

#### Combined charging system

The amended Directive provides that Member States applying tolls on their core TEN-T network or on part of it before the entry into force of the directive, can establish a combined charging system for all heavy-duty vehicles or for some types of heavy-duty vehicles. Within that system, the user charges have to be varied according to the vehicle's CO2 emissions and Euro emission class.

Additionally, according to this provision, the use of the infrastructure also has to be made available for **a day**, and for a week or ten days or both. Nevertheless, the Member States may limit the daily user charge for transit purposes only.

#### Internalising external costs for heavy-duty vehicles

The new rules now make **external-cost charging for air pollution mandatory**, after a four-year transition period, where tolls are applied. Nevertheless, the Member States will be able not to apply the external-cost charge for air pollution, in case of unintended consequences involving the diversion of traffic, after notifying the Commission. This mandatory charging is without prejudice to the choice of the Member States to apply an external-cost charge for CO2 emissions anyway. Nevertheless, the Commission will be allowed to evaluate the implementation and effectiveness of external-cost charging for CO2 emissions.

#### Optional application of charges

The Directive now provides that the revenues generated from (optional) congestion charges, or their equivalent in financial value, will be used to address the congestion problem, or to develop sustainable modes of transport and mobility in general.

#### Variations based CO2 emissions and environmental performance of vehicles

A new provision introduces CO2 to the list of chargeable costs, in line with climate objectives. This provision requires Member States to vary infrastructure and user charges for heavy-duty vehicles based on CO2 emissions. Initially, the scheme should only apply to the largest trucks, but it would be gradually extended to other types of heavy goods vehicles and regularly adapted to technological progress.

Member States will also be able to give preferential treatment to zero-emission vehicles. The new provision nevertheless includes safeguards to avoid double rewarding of hybrid vehicles and possible overlaps with other carbon-pricing instruments.

The text now leaves discretion to the Member States when it comes to differentiating tolls and user charges for light-duty vehicles according to the environmental performance of the vehicle. Nevertheless, this provision requires mandatory variation of tolls and the annual rate of the user charges for **vans and minibuses**, according to the environmental performance of the vehicle, as of 2026, where tolls or user charges are applied and where technically practicable.

Lastly, the Directive provides for the introduction of a **review and sunset clause** in case road transport is included in a future carbon pricing mechanism, in order to avoid double pricing.

# Charging of heavy goods vehicles for the use of certain infrastructures

2017/0114(COD) - 31/05/2017 - Legislative proposal

PURPOSE: to improve the application of the "polluter pays" and "user pays" principles to promote sustainable road transport.

PROPOSED ACT: Directive of the European Parliament and of the Council.

ROLE OF THE EUROPEAN PARLIAMENT: the European Parliament shall decide in accordance with the ordinary legislative procedure and on an equal footing with the Council.

BACKGROUND: this initiative is part of the Commission's efforts to create an energy union and from a series of proposals on low-emission transport. It is a follow-up to the Communication "A European strategy for low-emission mobility".

CO2 emissions from road transport in 2014 were still 17% higher than in 1990. The highest share of these emissions originates from passenger cars (over 60%). Under current trends, the emission reduction will not be sufficient to achieve the EU goals set for 2030 and 2050. Moreover, road infrastructure is degrading in many Member States.

Road pricing can be a key incentive for cleaner and more efficient transport operations. Progress towards the Commission's objective of applying the "polluter pays" and "user pays" principles has been slow. There are still inconsistencies in the application of road pricing across the EU.

Directive 1999/62/EC provides the legal framework for charging heavy goods vehicles (HGVs) for the use of certain roads. So far, however, the Directive does not contain elements specifically contributing to the reduction of CO2 emissions from transport. Moreover, it only applies to HGVs, all other vehicles are left unaddressed.

It is for this reason that the Commission proposed to include buses, passenger cars and vans in the scope of the Directive, thereby ensuring **more** consistent pricing of infrastructure use across the road transport sector.

IMPACT ASSESSMENT: the preferred option provides for the variation of charges for light vehicles according to their CO2 and pollutant emissions, as the preferred option, possibly complemented with the requirement of external cost charging on at least part of the network for HDVs and the phasing-out of time-based charging for light vehicles over a sufficiently long period.

CONTENT: the proposal aims at addressing the shortcomings of existing legislation (Directive 1999/62/EC), i.e. at a better fulfilment of the legislation's objectives.

**Scope**: it is proposed to extend the scope of the application of the Directive to include **light duty vehicles** such as minibuses, passenger cars, vans and coaches.

Tolls and user charges: provisions on non-discrimination, proportionality of charges and on the collection and payment of tolls and user charges shall not only apply to networks mainly used by international traffic (the trans-European road network and motorways) but to **other roads**. Given that distance-based pricing (tolls) rather than duration (tags) better reflects actual use, emission levels and pollution, the Commission proposes to **phasing out tariff systems** based on (2023 for heavy-duty vehicles, 2027 for other categories of vehicles). The possibility of exempting heavy goods vehicles weighing less than 12 tonnes from road charging would be abolished and the scope of any tariff system would be extended to coaches / buses.

**External cost charging**: it is proposed that the maximum weighted average external-cost charges should be replaced by readily applicable reference values updated in light of inflation, the scientific progress made in estimating the external costs of road transport and the evolution of the fleet composition. From 1 January 2021, Member States that levy tolls shall apply an external-cost charge to heavy duty vehicles on at least the part of the network where environmental damage generated by heavy duty vehicles is the most important.

**Congestion charging**: the proposal allows the application of congestion charges on top of the infrastructure charge. Any such congestion charge has to be applied to all vehicle categories in a proportionate and even-handed manner.

Revenues from congestion charges should be used to address congestion problems, for example by supporting alternative transport solutions or removing bottlenecks.

Moreover, the possibility of applying mark-ups would be extended and would no longer be restricted to mountainous regions alone.

Variation of charges: as regards heavy duty vehicles, it is proposed to phase out the variation of charges according to the Euro emission class of the vehicle. Modalities for the variation of tolls and user charges according to the environmental performance of passenger cars, minibuses and vans have been specified. The variation shall be based on emissions of both CO2 and air pollutants, as specified in Annex VII. This provision should incentivise the use of cleaner and more efficient vehicles.

Notifications: it is proposed to simplify the prior information of the Commission in respect of intended external cost charging, by confining the information to basic elements.

DELEGATED ACTS: the proposal contains provisions empowering the Commission to adopt delegated acts in accordance with Article 290 of the Treaty on the Functioning of the European Union.

# Charging of heavy goods vehicles for the use of certain infrastructures

2017/0114(COD) - 07/06/2018 - Committee report tabled for plenary, 1st reading/single reading

The Committee on Transport and Tourism adopted the report by Christine REVAULT D'ALLONNES BONNEFOY (S&D, FR) on the proposal for a directive of the European Parliament and of the Council amending Directive 1999/62/EC on the charging of heavy goods vehicles for the use of certain infrastructures.

The Committee on the Environment, Public Health and Food Safety, exercising its prerogative as an associated committee in accordance with Article 54 of the Rules of Procedure, also gave its opinion on the report.

The committee recommended that the European Parliament's position adopted at first reading under the ordinary legislative procedure should amend the Commission proposal as follows:

Tolls and user charges: since distance-based pricing (tolls) rather than time-based pricing (vignettes) better reflects actual usage, emission levels and pollution, the Commission proposed to phase out time-based pricing schemes after an appropriate transitional phase. Members considered that road pricing imposed by Member States should be based on distance from 2026 for passenger cars (two years earlier than was proposed by the European Commission) and from 2023 for heavy goods vehicles and vans for the transport of goods.

Members considered that road networks covered by an infrastructure charge must afford a high level of road safety, together with all necessary infrastructure facilities, such as safe and secure parking areas, for compliance with the obligations laid down by the regulation on rest periods and driving times.

**User rights (proportionality and equal treatment)**: the proportionality of user charges may take into consideration the specific characteristic of transport operations which start in a Member State on the periphery of the EU. As of 1 January 2020, tolls and user charges applied to heavy duty vehicles shall apply to all heavy duty vehicles, as well as to all vans intended for the carriage of goods fitted with a tachograph.

External cost charging: from 1 January 2021, Member States that levy tolls shall apply an external-cost charge for traffic-based air or noise pollution to heavy duty vehicles and to vans intended for the carriage of goods on all parts of the network referred to in Article 7(1) that are subject to an infrastructure charge.

From 1 January 2026 onwards, an external-cost charge imposed on any section of the road network shall apply in a non-discriminatory manner to all vehicle categories. Member States may apply derogations which allow external-cost charges to be adjusted for vehicles of historical interest.

Congestion charging: Members proposed that congestion charges may be introduced or maintained independently from infrastructure charges. Member States may, however, decide to exempt buses and coaches for the promotion of collective transport and socio-economic development and territorial cohesion.

The level of charges shall be reviewed annually to ensure that they are not higher than the cost of congestion occurring in that Member State and generated on those road sections, which are subject to the congestion charge.

**Mark-up**: the increase should not exceed 15% of the weighted average infrastructure charge, except in mountainous regions, where infrastructure costs as well as climatic and environmental damage are higher, in which case the increase **may not exceed 50%**.

Variation in charges: Members proposed that from the date of entry into force of this Directive, zero-emission vehicles shall benefit from infrastructure charges reduced by 50 % compared to the lowest rate. Zero-emission operation shall benefit from the same reduction, provided that such operation can be proved.

Member States may take into account the improvement of the environmental performance of the vehicle which is linked to that vehicle's conversion to alternative fuels. A standing subscription or any other mechanism approved by the toll system's operator should allow users to benefit from a variation in toll charges that **rewards the improved environmental performance** of the vehicle, after conversion.

**Discounts**: for light vehicles, in particular for frequent users on the **areas of dispersed settlements and the outskirts of cities**, Member States may provide for discounts or reductions to the infrastructure charge provided that such discounts contribute to social cohesion and ensure the mobility of peripheral regions or remote areas.

Member States or competent authorities may introduce a **kilometre-based flat-rate exemption** on a specific road section, taking into account the mobility patterns and economic interest of peripheral regions.

In mountain areas and peripheral regions, Member States or competent authorities may vary toll rates for heavy vehicles according to distance travelled by the tolled vehicles to minimise socio-economic impacts.

**Use of revenues**: to enable the transport network to be developed as a whole, revenues generated from infrastructure and external costs charges, or the equivalent in financial value of these revenues, shall be used to carry out road network maintenance and upkeep, and to **optimise the entire transport system**.

Revenues shall be used to: (i) reduce air and noise pollution from road transport; (ii) finance collective and sustainable modes of transport; (iii) develop alternative fuel infrastructures; (iv) support the trans-European transport network and eliminating bottlenecks.

Members proposed that the revenue from charges be used on the territory containing the road section on which they applied.

Member States should clearly **indicate how the revenue generated by road user charges is used**. They should publish the results of reinvesting infrastructure charges and external costs, as well as the benefits in terms of increased road safety, a reduced environmental impact and reduced traffic congestion.

Lastly, Members proposed to establish in each Member State an **independent authority to supervise toll systems** and to guarantee all road users a high level of information on how revenues are used.

# Charging of heavy goods vehicles for the use of certain infrastructures

2017/0114(COD) - 25/10/2018 - Text adopted by Parliament, 1st reading/single reading

The European Parliament adopted by 398 votes to 179, with 32 abstentions, a legislative resolution on the proposal for a Directive of the European Parliament and of the Council amending Directive 1999/62/EC on the charging of heavy goods vehicles for the use of certain infrastructures.

The European Parliament's position adopted at first reading under the ordinary legislative procedure amended the Commission proposal as follows:

**Tolls and user charges**: the proposed Directive aims to help meet EU emission reduction targets for the transport sector and make road user charges fairer. Since distance-based pricing (tolls) rather than time-based pricing (vignettes) better reflects actual use, emission levels and pollution, the draft Directive would phase out time-based pricing systems after an appropriate transitional phase.

Parliament considered that road charging imposed by Member States would need to become distanced-based from **2023 for heavy-duty vehicles and larger goods vans** with a maximum permissible laden mass of between 2.4 and 3.5 tonnes and a height of more than 2 metres and from end of **2027 for light duty vehicles**, meaning vans and minibuses.

As of 1 January 2020, tolls and user charges applied to heavy duty vehicles shall apply to all heavy duty vehicles and vans intended for the carriage of goods.

User rights (proportionality and equal treatment): the proportionality of user charges may take into consideration the specific characteristic of transport operations which start in a Member State on the periphery of the EU.

According to the amended text, road networks covered by an infrastructure charge shall offer a **high level of road safety** and be equipped with all the necessary infrastructure, such as safe parking areas in all weather conditions, to comply with the obligations laid down in the Regulation on rest periods and driving times.

External cost charging: from 1 January 2021, Member States that levy tolls shall apply an external-cost charge for traffic-based air or noise pollution to heavy duty vehicles and to vans intended for the carriage of goods on all parts of the network referred to in the Directive that are subject to an infrastructure charge.

From 1 January 2026 onwards, an external-cost charge imposed on any section of the road network shall apply in a non-discriminatory manner to all vehicle categories. Member States may apply derogations which allow external-cost charges to be adjusted for vehicles of historical interest.

Congestion charging: Members proposed that congestion charges may be introduced or maintained independently from infrastructure charges. Member States may, however, decide to exempt buses and coaches for the promotion of collective transport and socio-economic development and territorial cohesion

Mark-up: the mark-up does shall not exceed 15 % of the weighted average infrastructure charge, except in mountainous areas, where infrastructure costs as well as climate and environmental damage are higher, in which case the mark-up may not exceed 50 %.

Variation in charges: Parliament proposed that from the date of entry into force of this Directive, zero-emission vehicles shall benefit from infrastructure charges reduced by 50 % compared to the lowest rate. Zero-emission operation shall benefit from the same reduction, provided that such operation can be proved.

Member States may take into account the improvement of the environmental performance of the vehicle which is linked to that vehicle's conversion to alternative fuels. A standing subscription or any other mechanism approved by the toll system's operator should allow users to benefit from a variation in toll charges that rewards the improved environmental performance of the vehicle, after conversion.

**Discounts**: for heavy duty vehicles and vans intended for the carriage of goods, Member States may provide for discounts or reductions to the infrastructure charge on condition that such discounts or reductions do not exceed 20 % of the infrastructure charge paid by equivalent vehicles not eligible for the discount or reduction and those used for local or habitual transport, or both.

For light vehicles, in particular for frequent users on the areas of dispersed settlements and the outskirts of cities, Member States may provide for discounts or reductions to the infrastructure charge provided that such discounts contribute to social cohesion and ensure the mobility of peripheral regions or remote areas.

Member States or competent authorities may introduce a **kilometre-based flat-rate exemption** on a specific road section, taking into account the mobility patterns and economic interest of peripheral regions.

In **mountain areas and peripheral regions**, Member States or competent authorities may vary toll rates for heavy vehicles according to distance travelled by the tolled vehicles to minimise socio-economic impacts.

**Use of revenues**: revenues generated from infrastructure and external costs charges, or the equivalent in financial value of these revenues, shall be used to carry out road network maintenance and upkeep, and to optimise the entire transport system.

Revenues shall be used to: (i) reduce air and noise pollution from road transport; (ii) finance collective and sustainable modes of transport; (iii) develop alternative fuel infrastructures; (iv) support the trans-European transport network and eliminating bottlenecks.

Lastly, Members proposed to establish in each Member State an **independent supervisory authority** for infrastructure charging responsible for ensuring compliance with this Directive.