



# European transport infrastructure charging policy

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# Background

- Great diversity of infrastructure charging regimes:
  - structures;
  - variation in the levels of charges;
  - tax regimes;
- Charges rarely related to :
  - the real costs of transport;
  - environmental costs;
- Rare differentiation according to level of externalities generated.



- Inefficient use of infrastructure:
  - traffic regulation;
  - use of resources;
- Distortion of competition:
  - modes;
  - regions;
- No real incentives:
  - use of more sustainable modes and vehicles;
  - routes or time;
- No fair distribution of transport costs.



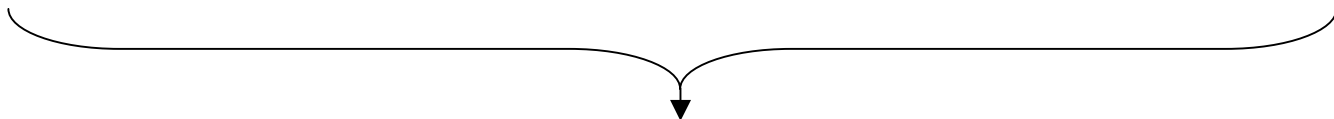
# Major milestones



1995  
Green paper :  
“towards fair and efficient pricing in transport”

1998  
White paper :  
“Fair payment for infrastructure use”

2001  
White paper :  
“European transport policy for 2010 : time to decide”



A progressive and consistent approach towards a more sustainable and effective charging policy



# Principles of the EC charging policy

- Based on the “user-pays” and “polluter-pays” principles;
- The user should pay the costs incurred from the use of the infrastructure;
- External cost internalised :
  - congestion,
  - accident costs,
  - environmental costs (air pollution, climate change, noise);
- Charging scheme on a non discriminatory basis



## Objectives of the EC charging policy

- Ensure fair competition between modes & Member States;
- Make better use of existing infrastructure;
- Improve modal balance by ensuring environmental costs are considered;
- Provide a revenue stream for infrastructure investments

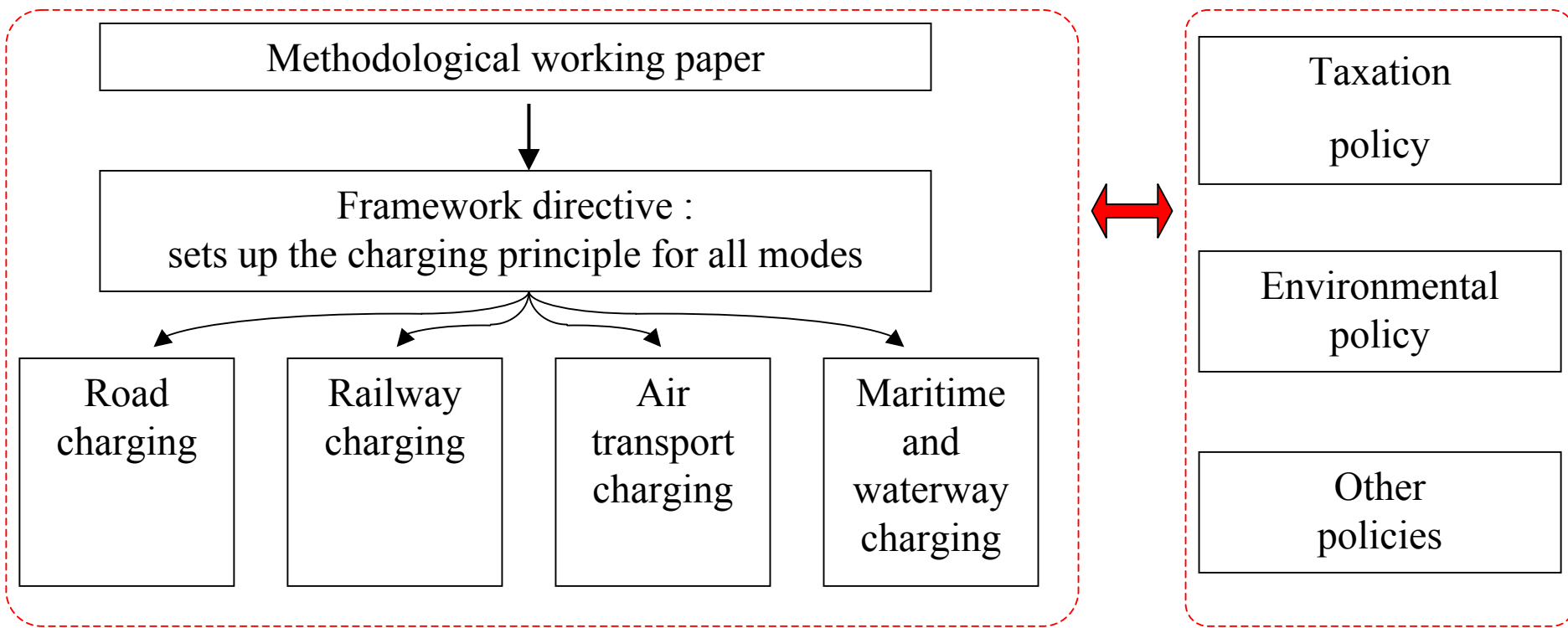


# Implementation principles of the EC charging policy

- Non discriminatory and transparency;
- Efficient pricing systems;
- Progressive approach;
- Mode-specific implementation schemes;
- Regional differentiation.



# The 2001 White paper implementation targets : a consistent approach





# Methodological working paper

## Objective :

- Sets out goals and timetable for the framework & modal directives;
- Clarify the methodological options to be used to determine costs.

## Expected content :

- Principles for the determination of each type of cost
  - Modes are treated specifically;
  - Open document raising a series of questions.
- infrastructure damage  
– congestion & scarcity  
– accidents  
– air pollution  
– noise

## Schedule :

- Should be available in October 2002.



# Framework directive

## Objective :

- Set up common charging principles for all modes of transport

## Planned content :

- Define the cost structure to be applied and the corresponding methodology;
- Set up the conditions for exceptions;
- Organise the monitoring of the implementation;

## Schedule :

- Early 2003
-



# Road sector

Some countries are considering moving towards new distance-related charging schemes

Current legislation :  
Directive 1999/62/EC on the charging of heavy goods vehicles

Minimum requirements for : <ul style="list-style-type: none"><li>- vehicle taxation;</li><li>- tolls and user charges.</li></ul>	⇒	<ul style="list-style-type: none"><li>- Imposed only on motorways;</li><li>- Great differences remains ;</li><li>- Eurovignette non related to the use of the infrastructure</li></ul>
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A revision of the current regulation to introduce distance-related charges

Consistent with :

- Harmonisation of excise duties on fuel for commercial use :
  - a directive proposed in July 2002
- Interoperability of electronic pricing :
  - a directive to be proposed in 2002



## Road sector : open questions

- What degree of compensation of existing taxes and of excises duties on fuel?
- When and how to ensure differentiation in time and space?
- Which vehicle types?
- Which roads?
- How to take into account the specificity of sensitive areas (e.g. Alps) from 1<sup>st</sup> phase of implementation?

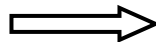


# Railway sector

## Current legislation :

Directive 2001/14/EC on the levying of charges for the use of railway infrastructure

- A common charging principle: charges shall be set at the cost that is directly incurred;
- Exceptions (e.g. Mark-ups allowed to obtain full recovery of costs)



- Major external costs still optional:
  - scarcity of capacity;
  - environmental costs.

A revision of the current regulation consistent with the principles of the framework directive

## Consistency with :

- Increase of competitiveness.



## Railway sector : open questions

- How to charge for scarcity of capacity ?
- How to internalise environmental costs without jeopardising the position of the railways ?
- How to take into account the specificity of sensitive areas?



# Financing of infrastructures

Need for financial resources to build new strategic infrastructures

How can infrastructure charging help ?

## An increase of revenues

- as a whole;
- in the Alpine regions.

	Internal and external costs (except CO <sub>2</sub> ) plus excises duties	
Tunnel-tolled routes	45	30-50
Other tolled routes	27	
Other main alpine routes	15	

## Mark-up authorised

- when market can bear it;
- to allow for public-private partnerships;
- to allow for cross-financing and modal transfer in sensitive areas.



# Financing of the infrastructures : open questions

- Should there be upper limits for mark-ups?
- How to set up territorial delineation for the mark-ups ?
- Should the revenues be earmarked?



# The link with other road traffic regulation initiatives

Studies results for Alpine regions



- small impact on traffic
- no drastic change of modal shares



Traffic regulation remains an issue

BUT:

Traffic bans or quotas should be considered as a “fall back” position when charging schemes fail to solve traffics problems

AND IF APPLIED:

Traffic limits should be:

- non discriminatory;
- justified by the sensitiveness of the zone or corridor;
- targeted to the more polluting vehicles as a priority.



## Conclusion

- The situation is well known;
- It is now time for implementation;
- A progressive approach is necessary;
- A policy complementary to other transport policies;
- A policy taking into account the specificity of sensitive zones.