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CEEP Opinion

on the revision of the Directive 1999/62/EC on the charging of heavy goods vehicles for the use of certain infrastructures ("Eurovignette directive")

CEEP represents providers of services of general interest (SGIs) employing more than 30% of the EU workforce and is recognised as a cross-sectoral social partner at EU level for public employers. CEEP transport member enterprises are represented by the CEEP Transport Committee. The transport sector accounts for, inter alia, 170 million public passenger transport journeys a day.

The European Commission White paper of 2001 and its related action programme recognised the priority of the Eurovignette directive as an instrument to include the external costs dimension into the transport framework.

It is of common knowledge that road transport is responsible for a very important share of external costs. External costs are of course at stake for the whole transport system and thus for all modes. However, all studies have demonstrated that the environmental impact is substantially different from one mode to another and in particular that the environmental, safety and congestion impacts of trucks are most obviously not properly addressed.

Consequently, as a matter of priority, the EU has to allow and encourage Member States to develop a road charging system which tallies more closely with sustainable mobility objectives. In practice, this requires that the regulatory framework includes the "polluter pays" principle into infrastructure payment systems such as road pricing, as well as into taxation principles of other instruments.

It is also recognized that charging should be related to distance driven (in km) rather than to time (vignette) as this is economically and environmentally more efficient.

Those systems and principles will induce environmental efficiency and promote more sustainable transport chains and modal choices. This should include encouraging the most optimal combination of existing transport alternatives, wherefore public acceptance for price changes will be the highest.

When it comes to discussing the main principles that the debate has focussed upon this year, CEEP underlines that:

a) Member States should have the flexibility to elaborate the infrastructure cost and external costs mix that is most suitable to their national, regional and local situations. The content of the revised directive should therefore include and thus allow for a broad pallet of cost components and also not be too prescriptive as to the conditions for imputing all environmental and congestion costs (and not forget, at a next stage, accidents)

CEEP thus strongly advocates that at least air pollution, noise, congestion and climate change should be included as cost factors for road infrastructure pricing, or that it should be ensured that all these costs are effectively built into existing or new taxation instruments.

Of course imputing costs should be based upon proportionality and non-discrimination principles (e.g. between HGVs and cars). However, those principles are not to be used as an alibi for not starting the process of cost imputation and price signals to improve the environmental record of the road sector.

Moreover the purpose of this directive has to be to encourage and not to impede Member States and other authorities to further develop road pricing schemes at national, regional, suburban and urban level. The scope of the directive is to be considered in that context. For instance the danger of a counter-productive effect on existing schemes strongly pleads for the exclusion of urban areas.

A recent study of the European Commission has also demonstrated that choosing sustainability through external cost guided road pricing is not suddenly endangering the overall competitiveness of our industry. The study of the Joint Research Centre in fact demonstrated, on the basis of a number of corridor-studies, that overall environmental improvements – e.g. 8% carbondioxide-reduction - are to be expected, whereas at the same time the feared product price rises are going to be very limited.

b) Member States should be guided into using the revenue of road pricing to improve the environmental record of the overall transport system. **Thus the use of road pricing revenues should be defined on the basis of the same sustainability objectives as the road pricing itself. Allocating the revenues to investment –** be it via "earmarking" or general budget-financing – should indeed be based upon appropriate environmental and societal sustainability criteria.

Therefore earmarking is to be described as **earmarking to the transport sector as a whole**, and not that the additional revenues simply go back to the road sector. It cannot be the purpose of this kind of EU legislation that road pricing initiatives simply serve as an additional fund for financing road projects only. On the contrary and in line with the sustainability objectives, **those funds should be prioritised towards investment into transport systems and modes that best contribute to sustainability and whose overall record is more environmentally friendly**. Cross-modal financing in favour of environmentally sustainable modes is also simply a way of catching up with the comparative investment delay in e.g. rail infrastructure and public transport.

Because road transport is responsible for a very important share of the external costs the EU has to ensure that Member States start or continue the process of guiding this sector as well as transport users into present and future overall cost awareness, including societal costs.

In conclusion, CEEP is of the opinion that the Eurovignette directive should be modified to include the social and environmental costs in the infrastructure charging of heavy goods vehicles and will consequently draw the attention of policy makers to this issue.
