



Commission's Energy Taxation Proposal Will Bring Fair Competition

UIRR endorses the Commission proposal, which envisions several positive changes to the European Directive which regulates minimum excise taxation on fossil fuels, such as:

- Introduction of much needed transparency,
- Abolition of anti-competitive ("special") excise tax discounts and rebates, and
- Internalisation of CO₂ emissions released when burning fossil fuels.

The Transport Committee (TRAN) of the European Parliament commenced the deliberation of the European Commission's proposal on energy taxation a week ago. UIRR issued a position paper¹ today on the proposed amendment, which falls largely in line with UIRR's overall position as expressed in a comprehensive position paper in December 2010². Four points to consider in the legislative process have been named:

- Add a price component for nitrous oxide emissions alongside CO₂ as this greenhouse gas is also generated in considerable amounts in transport;
- Increase the price of CO₂ (proposed as €20/t) in light of results produced when calculating the Social Cost of Carbon (SCC);
- Create an additional internalisation category that describes the increased dependency on fossil fuels, and
- Revise the blanket exemption of navigation from under the force of the Directive to create fair competitive conditions by allowing the gradual inclusion of those branches (coastal and inland navigation) which have inland transport alternatives.

¹ <http://uirr.com/en/media-centre/press-releases-and-position-papers/2011/mediacentre/478-uirr-on-energy-taxation-directive.html>

² <http://uirr.com/en/media-centre/press-releases-and-position-papers/2010/mediacentre/403-pos-pap-infra-externalities-fair-competition.html>



"Abolishing the special tax refund available for traction diesel purchases to railways in several Member States could act as an additional motivation for expanding much needed electrification projects." – said UIRR Executive Chairman, Rudy Colle, on the occasion.

Road-Rail Combined Transport (CT) is a system of freight forwarding which is based upon inserting economically and ecologically sustainable electric rail into long-distance (road) transport-chains through the use of intermodal loading units³ (ILU). The shifting of loads between modes takes place quickly and efficiently at transshipment terminals. CT offers the competitive combination of the flexibility of road transport – used in the positioning legs of ILUs – with the energy efficiency, extreme low greenhouse gas emissions and superior safety record of electric rail traction over long distances.

Who is UIRR? - Founded in 1970, the International Union of Combined Road-Rail Transport Companies (UIRR) represents the interests of a unique system of transport, which uses Intermodal Loading Units (ILUs) or special wagons capable of carrying unmodified ordinary trucks thereby allowing the effective insertion of (electric) rail technology into the longer distance sections of continental freight transport-chains, resulting in 75% fewer GHG emissions compared to pure road transport and the use of considerably less energy per consignment.

³ ILU=swap-bodies, containers and semi-trailers