



UIRR position paper - MEP's DEBATE on EXTERNAL COSTS

Further breakthrough towards efficient and fair transport cost allocation?

On July 8th, the European Commission adopted the Greening Transport Package which includes notably a strategy to internalize external costs of transport of all modes and a proposal, supporting this purpose, to amend the current Eurovignette Directive.

Under the present legislation, Member States are indeed denied the possibility to charge the heavy goods vehicles (HGV) sector for the external costs it generates; this prevents them to put transport policies in place that meet economic and environmental logic as well as competitive fairness.

That revising the Eurovignette is an essential and urgent requirement towards these objectives is undeniably backed by a study carried out by an independent Consultancy Bureau, CE Delft, and it is UIRR's firm hope that by its debate this week and subsequent vote the TRAN Committee of the European Parliament will support this track.

Unbiased facts

To those who are still in search of evidence on the impacts (read nuisances) of road transport in the EU and on the level of related costs presently not covered by road charges collected, the above mentioned study provides facts and figures in this respect which are unequivocal and difficult to disregard.

In summary, in the EU-27, road transport is responsible for 21% of total CO₂ emissions with HGV's generating 23% of such emissions attributable to this mode. Further, and despite the fact that HGV's represent a mere 3% of all road vehicles, they are accountable for 20% of road congestion and cause twice the number of deaths per kilometer driven compared to passenger cars.

Thirdly, scientifically based calculations and assumptions have figured out that by their present levels charges levied from road only cover infrastructure costs but none of the other external costs such as pollution, noise, congestion and accidents.

Proceeding

For all of the above, the UIRR supports the introduction of the 'polluter pays' principle in transport charging schemes. For this longstanding claim of the road-to-rail combined transport sector to become a reality, a stepwise approach is considered realistic, provided in the end all modes fall under the application of full internalization of all external costs generated; a calendar with firm sectorial implementation deadlines towards this goal may be a useful provision to consider.



Just by way of comparison, the rail sector which only generates very small amounts of CO₂ is already concerned by the internalization of this external cost through its inclusion in the emission-trading system (the vast majority of rail transport is carried out by means of electrical traction) and extensive work towards reducing rail noise levels is also making good progress.

Congestion charges should be taken up in the revised Directive from the start, as proposed by the Commission, one of the grounds being that this would also put another paradox to an end namely that Member States may already apply them to private cars whereas these provide proportionally less of this nuisance when one considers numbers of road units and distances covered.

Earmarking of revenues

To consistently promote a sustainable and efficient mobility, revenues generated from the anticipated revised Eurovignette should indeed be invested exclusively in transport, and inside this sector be made available to those modes and combinations of modes which have generated the least external costs and have done so under conditions of particularly unequal treatment and unfair competition, instead of reimbursing them to modes that lag reputedly and considerably behind since decades in the bearing of their costs.

By way of example, moving from flat to usage and performance related road fees has enabled the Swiss Authorities to get HGV traffic expansion under reasonable control, to promote transfer of goods to rail and to reduce pollution, congestion and accidents, while at the same time allocating a major part of the revenues to the funding of rail projects, at the clear benefit of the riverains concerned; Switzerland's economic well-being has not suffered from these measures, it still is the most competitive of the European Economic Area.

The UIRR together with its membership of nineteen Combined Transport operators sees the strategy of internalization of external costs and the Commission's proposal to amend the Eurovignette Directive as a very essential support to their own untiring efforts to transfer more goods to rail. These efforts will not be fully rewarded without a strong political will, at all levels, to start implementing the above option without undue further delay. It is confident that road potential will remain intact on those distances, segments and areas where it is pertinent, not to say irreplaceable such as in the positioning legs of Combined Transport.