

<u>Position Paper</u>: European Parliament's Second Reading of the Amendment of the Eurovignette Directive

- March 2011 -

Road-rail Combined Transport¹ is the system of transport, which brings the European concept of *co-modality* to success by effectively combining the flexibility of road transport in urban environments with the environmental sustainability, safety and reliability offered by railway technology. This unique system of transport is used in about 11% of continental transport chains in Europe² today.

The unaccompanied Combined Transport chain was found to emit about 75% less CO_2 and cause fraction of the transport-related externalities as compared with a pure road transport-chain³. The substantial advantage of road-rail Combined Transport is specifically based on the externality-benefits of electrified rail over road transport⁴.

UIRR, the organisation which represents road-rail Combined Transport companies from across Europe, wishes to hereby express its position on the second reading of the amendment of the Eurovignette Directive.

UIRR congratulates the EP's Second Reading Paper in its capacity to:

- ➤ Promote the application of the Handbook prepared by CE Delft attached to the amendment proposal by the Commission for calculating externalities (Recitals 10 and 34, Art 1 point 5).
- State that time-based (vignette type) road tolling systems should be considered "transitional" to distance-based (electronic) systems, which better conform to the "user pays" principle (Recital 12).
- > Create the possibility for Member States to use TEN-T funding to establish distance-based (electronic) tolling systems (Recital 27).
- Prescribe a reporting obligation for Member States on the status of internalisation and road tolling in 36 months' time, and require the Commission to draw up the next amendment of the Eurovignette Directive within 48 months from the entry into force of this amendment (Art 1 – point 8).

¹ Two types of road-rail combined transport are differentiated: (i) unaccompanied, when goods packed into containers, swap-bodies or semitrailers are transferred from road vehicles to trains, and (ii) accompanied, or rolling-motorway, services, when complete tractor-trailers road-trains are transported using specialised rail wagons.

² UIRR estimation based on EUROSTAT, UIC and UIRR statistics

³ UIRR calculation based on the <u>www.ecotransit.org</u> tool for calculating transport-related CO₂ emissions

⁴ Straße und Schiene - Ökologische Vor- und Nachteile der Verkehrsmittel IFEU, "CO2-Berechnung", part 1&2: "Alle Daten und Fakten zur Berechnung des LKW- & Bahn-Footprints", Verkehrsrundschau, no. 42&43, Springer Verlag, Munich, 2009.; Hausberger, S. et al: Handbuch Emissionsfaktoren (HBEFA) des Straßenverkehrs, TU Graz, version 2.1, Berlin, 2004.; EXTERNE KOSTEN DES VERKEHRS 2004 INFRAS und IWW Universität Karlsruhe für UIC und CER; External Costs of Road, Rail and Air Transport - a Bottom-Up Approach Fraunhofer-Institut für Systemtechnik und Innovationsforschung 1998

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UIRR proposes to further enhance the EP's Second Reading Paper by:

- ▶ Declaring existing fuel excise taxes as the ideal sources for GHG/CO₂ emission and oil dependency⁵-related internalisation of road transport (Recital 5a); while additional measures will be needed to genuinely internalise the (local) externality of congestion and to permit the internalisation of accidents and landscape fragmentation.
- ➤ Improving the provision for congestion surcharges (Art 1 point 2) in relation to which UIRR wishes to point out that the required total toll-revenue neutrality (Art 1 point 2) does not match the rules on congestion-related track access surcharges, where revenue neutrality is not required. Hence this limitation to congestion charging should be removed.

Conclusions

UIRR applauds the Second Reading Paper prepared by Rapporteur, Mr Said El Khadraoui, and wishes that the amendment of the Eurovignette Directive is agreed between Council and Parliament in a timely fashion, allowing the legislation to enter into force before summer 2011.

The shortcomings of the original Commission amendment proposal, and the Council's first reading resolution were pointed out in a position paper published by UIRR on 14 December 2010⁶. In light of the considerable gap between what would be considered fair and ideal by UIRR in terms of internalisation and infrastructure access charging and what appears politically realistic to be adopted today, it is hoped that the next Eurovignette amendment – foreseen in 48 months' time – will further contribute to correcting these imperfections.

Recommendations:

- Mention in the recitals that fuel excise taxes are the ideal means of internalising GHG/CO₂ emission and oil dependency related externalities of transport, while a separate (distance-based) charging scheme should be implemented to collect the costs of operating, maintaining and constructing road infrastructure.
- Remove the requirement that congestion surcharges have to be total toll-revenue neutral, as this provision does not match the rules which apply to congestion related track access surcharges.
- Commit to the requirement that Member States should report on the status of internalisation and tolling in 36 months, while the Commission is to prepare the next amendment of the Eurovignette Directive in 48 months of the entry into force of the current amendment.

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Who is UIRR: Founded 40 years ago, in 1970, the International Union of Road-Rail combined transport companies (UIRR) represents the interests of a unique system of transport: through utilising Intermodal Loading Units (ILUs)⁷, or special wagons capable of carrying unmodified ordinary trucks⁸, Combined Transport operators catalyse the effective insertion of (electric) rail technology into the longer distance sections of continental freight transport-chains.

⁵ Cost of oil-dependence as an externality: transport is increasingly responsible for the excessive oil dependency of the European Union, which materialises in substantial expenses such as security operations int he Middle East.

⁶ http://uirr.com/en/media-centre/press-releases-and-position-papers/2010/mediacentre/403-pos-pap-infra-externalities-fair-competition.html

⁷ Containers, swap-bodies or semitrailers in what is called "Unaccompanied Combined Transport"

⁸ Rolling Motorway, or "Accompanied Combined Transport"