

Brussels, 11 October 2010

## **Political agreement on the proposed revision of the 'Eurovignette' Directive**

Dear Minister,

Ahead of the next meeting of the Transport Council on 15 October 2010, I write to you on behalf of T&E, a coalition of sustainable transport organisations, to highlight our priorities regarding the revision of the Eurovignette Directive.

Road freight transport is the sub-sector with the fastest growing greenhouse gas emissions (together with aviation and shipping) and imposes a disproportionate burden on EU citizens and the economy in terms of congestion, accidents, noise and air pollution.

Whilst we applaud the efforts of the Belgian Presidency to broker an agreement, we fear that by shying away from vital points of the Commission proposal, the Council will render the revised Directive more symbolic than really effective.

Road pricing reduces the negative impacts of pollution, congestion and accidents, but also allows a shift of taxation away from positive societal inputs, such as labour and enterprise. The primary effect of distance-based lorry charging is to stimulate efficiency within the road freight sector, via improved load factors, reduced empty driving, route optimisation, avoidance of congested times, etc. Charging will stimulate a more efficient freight sector, better prepared for future challenges.

To ensure the revision allow truly effective results, both environmentally and economically, we ask you to focus on the following points:

### **Don't deprive Member States of a vital tool to tackle congestion**

Tackling congestion is vital to increase productivity and will directly benefit hauliers and their customers by reducing time wasted in traffic and improving certainty in delivery times. It is a serious mistake to deny Member States a very effective (optional) tool to manage congestion more effectively on their major highways.

By banning congestion charging for trucks, which cause disproportionately more congestion, it makes it more difficult for Member States to introduce credible charging schemes for other vehicle categories.

It is undisputed that congestion constitutes an external cost to the EU economy, with an order of magnitude similar to the total European Union budget, simply wasted in lost time and productivity. The Council's current approach has lost sight of this reality.

The proposed variation of the infrastructure charge (with restricted peak hours) will restrict Member States' ability to most effectively tackle localized congestion and prevent them from realizing the full economic potential of the internalization of external costs.

### **Continue the obligation to charge lighter trucks from 2012**

A rollback of the provisions of the current, weak Eurovignette Directive is unacceptable. Lorries between 3.5-12 tonnes constitute one third of the European HGV fleet and their negative impacts must also be tackled.

By rolling back the obligation to charge lighter lorries from 2012, Europe risks incentivizing a shift to more smaller lorries as witnessed after the announcement of the German Maut scheme, with negative impacts on congestion, safety and the environment.

**No zero-rated classes for air pollutants**

There is no such thing as a zero-emissions heavy lorry. The proposal to allow EURO VI vehicles to enjoy a zero-rated air pollution charge is nonsensical, as even the cleanest vehicle categories still emit pollutants which are harmful to health. This approach may be short-sighted in missing an opportunity to stimulate far cleaner technologies in the near future.

Most alarmingly, any suggestion of exempting EURO V vehicles from the air pollution charge must be categorically rejected. The Directive cannot be seen to be a credible environmental instrument if it incentivizes the purchase of lorries of a soon-to-be outdated emissions class.

**Recognise higher noise costs in mountainous areas**

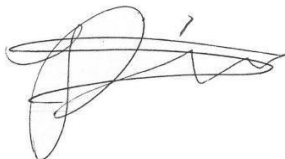
T&E strongly opposes placing artificial caps on the external cost categories, as the solid scientific basis allows the real costs to be reliably calculated. Noise is perhaps the clearest example where the burden on residents is multiplied due to the amphitheatre effect in mountainous areas. We are therefore extremely disappointed that there is a proposal to reduce the correction factor for noise charges in mountainous areas (to factor 3 rather than factor 5). This is not scientifically justifiable.

**Set freight transport on a sustainable course**

With the upswing in freight volumes in recent months, Europe's economic recovery is taking off. But with the ongoing squeeze on national budgets, Ministers should not restrict the level of lorry charges to an artificially low level. This approach falls short of holding heavy vehicles accountable for their pollution, congestion and safety risk, and also misses out on the double dividend of green charges, where revenues can be used to further stimulate the economy.

We ask you, Minister, to ensure that this crucial moment to achieve more sustainable transport is not a wasted opportunity.

Yours sincerely,



Jos Dings, Director