

TEN/147 Communication TEN/Electronic toll collection systems

Brussels, 29 October 2003

OPINION

of the European Economic and Social Committee

on the

Proposal for a Directive of the European Parliament and of the Council on the widespread introduction and interoperability of electronic road toll systems in the Community

COM(2003) 132 final - 2003/0081 COD

- 1 -

On 13 May 2003, the Council of the European Union decided to consult the European Economic and Social Committee, under Article 71(1) of the Treaty establishing the European Community, on the

Proposal for a Directive of the European Parliament and of the Council on the widespread introduction and interoperability of electronic road toll systems in the Community

COM(2003) 132 final - 2003/0081 (COD)¹.

The Section for Transport, Energy, Infrastructure and the Information Society, which was responsible for preparing the Committee's work on the subject, adopted its opinion on 10 October 2003. The rapporteur was **Mr Levaux**.

At its 403rd plenary session held on 29 and 30 October 2003 (meeting of 29 October 2003), the European Economic and Social Committee adopted the following opinion by 117 votes to three, with four abstentions:

1. Aim of the Proposal for a Directive

- 1.1 The Commission published the following two documents together on 23 April 2003:
- a communication entitled "Developing the trans-European transport network: Innovative funding solutions-Interoperability of electronic toll collection systems";
- a Proposal for a Directive on the widespread introduction and interoperability of electronic road toll systems in the Community.
- 1.2 In chapter 4 of its opinion on the revision of the list of trans-European network (TEN-T) projects up to 2004², the Committee examined the contents of the funding section of the abovementioned communication. In this opinion the Committee will therefore confine itself to outlining the main observations and proposals made in its earlier opinion. Furthermore, the funding section of the abovementioned document will be examined by the Committee once again in its own initiative opinion entitled *Preparing transport infrastructure for the future financing planning new neighbours*.
- 1.3 In its explanatory memorandum to the Proposal for a Directive, the Commission points out that electronic road toll systems were introduced in the 1990s on motorways operated under a concession, where the toll serves to finance motorway construction and maintenance. The aim was to speed up the time required to pass the toll collection points. The collection of tolls causes

The Commission document also contains a Commission communication entitled "Developing the trans-European transport network: Innovative funding solutions - Interoperability of electronic toll collection systems".

R/CESE 1174/2003, adopted on 25 September 2003.

congestion, delays, accidents and incidents as a result of subscribers being separated from occasional users. An electronic toll collection lane can handle between 200 and 300 vehicles an hour, depending upon the lane's configuration, i.e. twice as many vehicles as a lane fitted with a credit card machine or manual toll-collection equipment.

- 1.4 Italy, France, Portugal, Switzerland, Slovenia and Norway have national electronic road toll systems but these are incompatible. Electronic road toll systems are now widely used throughout Europe to regulate either traffic in particular areas or certain categories of vehicle (HGVs in Germany, Austria and Switzerland).
- 1.5 Several techniques are to be employed (GPS/Galileo, EGNOS and microwave technology), thereby creating real problems for users travelling in Europe. In the Commission's view, there is thus an urgent need for operators to provide international transport drivers with electronic boxes capable of reading all the systems used in Europe.
- 1.6 The aim of the Proposal for a Directive under review, which was announced in the White Paper on the European transport policy for 2010, is to "lay down the conditions necessary for a European electronic toll service to be put in place as soon as possible on all parts of the road network subject to tolls", on the basis of the principle of "one contract per customer, one box per vehicle".
- 1.7 The Commission points out that by assuring the interoperability of toll systems in the internal market, the Directive will facilitate the implementation of a Europe-wide infrastructure-charging policy. Furthermore, the recommended technologies will be able to cover all types of infrastructure (motorways, roads, bridges, tunnels, etc.) and vehicles (HGVs, light vehicles, motorbikes, etc.).
- 1.8 The Commission adopts a pragmatic approach in proposing two solutions for achieving interoperability:
- a short-term solution (for the period up to 2005), designed to take account of projects in the pipeline in a number of Member States;
- a long-term solution (for the 2008-2012 period), designed to provide a general system. The aim is to deploy the European service from 2005, in the case of HGVs, buses and coaches, and from 2010, in the case of cars.
- 1.9 The cost of the equipment for one vehicle should ultimately be between $\in 20$ and $\in 50$.

- 2. General comments on the Commission communication entitled: "Developing the trans-European transport network: Innovative funding solutions - Interoperability of electronic toll collection systems"
- 2.1 The Committee has, as indicated in point 1.2, already stated its views on this subject in an earlier opinion³.
- 2.2 The Committee joins the Commission in deploring the reasons for the stagnation of the trans-European transport network (TEN-T) (lack of political will on the part of decision-makers in the Member States, shortage of TEN funding, vast number of separate bodies responsible for the projects). The Committee has noted with interest the solutions proposed by the Commission; these solutions are based on two main pillars, namely:
- better coordination of public and private financing of the TEN-T, and
- an effective European electronic toll service.
- 2.3 The Committee does, of course, support the Commission's objective of improving the coordination of public financing at regional, national and EU level. The Committee agrees, however, with the Commission that this will be a difficult task as a balance will have to be struck between different priorities which do not necessarily fit in with each other. Such difficulties are in fact inherent in a policy of co-financing infrastructure, where each of the parties negotiates its participation in the light of the local, regional or national interests which it represents, sometimes neglecting the general European interest. The Committee therefore thinks that the existing financing arrangements need to be optimised by strengthening them and coordinating them more effectively. However, this goal ties in with the existing system and does not represent anything really new.
- 2.4 On the subject of public-private partnerships (PPPs), the Committee agrees with the Commission's assessment as regards the limitations of wholly private funding of major infrastructure projects. Joint financing cannot, however, be the sole solution, since private investors quite rightly insist on receiving guarantees and making a definite profit on their investments. This puts up costs. Other considerations also have to be taken into account:
- for each TEN-T project involving several European countries a "European company" should be set up in order to bring the necessary transparency to the financing arrangements for the project;
- a PPP cannot reasonably be arranged unless there is a balance between the funding provided by the public and private sectors. It is difficult to imagine a PPP in which the private sector holds only a small minority interest. It is therefore not realistic to envisage that the private sector will be able to provide the funding necessary for the implementation of the majority of the projects;

See footnote 2.

 limits must be set in order to avoid the unforeseen consequences deriving from a gradual abandonment of the supreme power traditionally vested in states or public authorities in respect of spatial planning for key public infrastructure.

The Committee thinks that PPPs are clearly an interesting proposition for financing transport infrastructure in a number of specific cases; however, they are by no means a panacea.

3. General comments on the Proposal for a Directive on the widespread introduction and interoperability of electronic road toll systems in the Community

- 3.1 The Committee supports the measures proposed by the Commission with a view to making electronic toll systems in the single market interoperable within a very short space of time. Users should be provided with a system which is both straightforward and simple to use.
- The Committee does however, wonder, what are the objectives of this technical Directive, which has been presented by the Commission as part of a communication seeking to establish innovative funding solutions for the development of trans-European transport networks. Existing and future electronic toll systems provide users with a service to facilitate payment of tolls and to enable traffic to flow more smoothly, but they do not in any way represent a new way of financing TEN-Ts. The introduction of a more effective tool for levying charges does not provide any new resource, particularly in view of the fact that the Commission does not express any views on the use to be made of the income from tolls; each State or region will continue to use this income, in accordance with its own rules, for maintaining and improving its own network, without taking account of the requirements imposed by the increase in EU traffic and therefore disregarding the general interest.
- 3.3 The Committee fully understands the Commission's viewpoint that the widespread introduction of electronic road toll systems will make it easier to compare the cost of tolls more effectively. The Committee does, however, highlight the fact that it is hard to imagine harmonisation taking place in this field, as each State continues to be free to determine the level of charge per kilometre travelled in relation to vehicle types and terrain (undulating of flat).
- 3.4 The European electronic toll service is to be introduced from 1 January 2005, in the case of HGVs, buses and coaches, and from 1 January 2010, in the case of the other vehicles. The Committee has noted that operators will have to make interoperable receivers available to users who want them. It points out that it is very important not to make this equipment obligatory for the following reasons:
- in order to enable users to pay by credit card, for which bank charges are harmonised;
- in order to keep the scheme optional so as to enable operators to continue to perfect their system,
 with a view to attracting new users;

- in order not to record the whereabouts of vehicles and users at any given time by storing this data;
 this would infringe the principles of freedom of the individual. The Committee therefore calls on
 the Commission to draw attention, in an article of the Proposal for Directive, to the principles of
 freedom of the individual (Charter of Fundamental Rights).
- 3.5 The Committee does not wish to make any comments on all the technical aspects of the Proposal for a Directive and its implementation. In the Committee's view, the proposal as a whole is a balanced proposal.

4. Conclusions

The consultation of the EESC comprises two parts:

Innovative funding solutions for TEN-T projects: the Committee will give its comprehensive view on the financing of transport infrastructures in a separate opinion on this issue before the end of 2003. The Committee draws attention to the fact that, in three different opinions which it adopted in January, June and September 2003, respectively⁴, it proposed that a "European Transport Infrastructure Fund" be set up in respect of such projects. With effect from 2006, the proposed fund would be financed by a levy, in EU-25, of one cent per litre on fuel consumed by all categories of vehicle⁵ using roads and motorways in the EU. Over a period of 20 to 50 years, this "dedicated" fund would make it possible to finance, either directly or through loans, the sums required to establish infrastructure for use by future generations.

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Opinion of the EESC on the Proposal for a Council Directive amending Directive 92/81/EEC and Directive 92/82/EEC to introduce special tax arrangements for diesel fuel used for commercial purposes and to align the excise duties on petrol and diesel fuel - OJ C 85 of 8/4/2003

Opinion adopted by the EESC in June 2003 on the Proposal for a Directive of the European Parliament and of the Council on minimum safety requirements for tunnels in the Trans-European Road Network - CESE 746/2003

Opinion adopted by the EESC in September 2003 on the revision of the list of trans-European network (TEN) projects up to 2004- CESE 1174/2003.

See the table in the appendix to this document.

4.2 **The interoperability of electronic toll collection systems:** the Committee endorses the Proposal for a Directive but would like attention to be drawn in Article 3 of the Directive to the principles of safeguarding the freedom of the individual, with specific reference being made to the Charter of Fundamental Rights.

Brussels, 29 October 2003.

The President
of the
European Economic and Social Committee

The Secretary-General of the European Economic and Social Committee

Roger Briesch

Patrick Venturini

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N.B.: Appendix overleaf.

APPENDIX

Breakdown of fuel consumption in 2001 in EU-15 and in the candidate states ${\it Constant}$

(million tonnes)

	ВЕ	DK	DE	EL	ES	FR	IE	ІТ	LU	NL	AT	PT	FI	SE	UK	EU (15)	Candidate Countries (10)
Roads	7.6	3.8	57.5	5.3	25.3	41.8	3.0	36.7	1.4	9.5	5.4	5.2	3.7	6.4	38.0	250.5	36.1

Source: Eurostat

Prices in € for 1,000 litres (February 2002)

	BE	DK	DE	EL	ES	FR	IE	IT	LU	NL	AT	PT	FI	SE	UK
Eurosuper	507	548	624	296	396	574	401	542	372	627	414	479	560	510	742
Diesel	290	370	440	245	294	376	302	403	253	345	282	272	305	337	742
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^{*} diesel with sulphur content of less than 50 ppm
