

# Road charging reform – Council agrees its stance



The EU is revising its **road charging rules** (**Eurovignette** directive) to address **greenhouse gas emissions and other environmental impacts**, congestion and road infrastructure financing.

The member states' ambassadors today agreed on a negotiating mandate for the reform, which will include a new system of **varying charges for heavy-duty vehicles based on CO<sub>2</sub> emissions**. The new scheme will promote the entry into the market of vehicles with lower emissions and help combat climate change in line with the European Green Deal.

With today's mandate, the Council has shown its ambition in terms of reaching the sustainability and environmental targets in road transport. This revision of road pricing will cover not just air and noise pollution but also CO<sub>2</sub> emissions, which will incentivise cleaner and more efficient transport operations. This will help to bring down transport emissions and effectively address global warming.

*Andreas Scheuer, German Federal Minister for Transport and Digital Infrastructure, President of the Council*

## Council mandate

The Council mandate provides a **toolbox for member states to levy charges for the use of roads** in order to reduce pollution from transport, make traffic flow more smoothly and recover the costs of the construction, operation and maintenance of infrastructure.

Member states will still be able to **choose their preferred charging model**. As EU countries differ in their geography, population density and road networks and in terms of the charging systems they already have in place, time-based charging will be maintained as a cost-effective alternative to distance-based charging.

The **scope** of the rules will be extended from **heavy goods vehicles** only to other vehicles for which member states may wish to apply charges, such as **buses, vans or passenger cars**. Countries will have the possibility to apply tolls and user charges for each type of vehicle independently of each other. In addition, member states may provide for reduced toll rates or user charges, or exempt vehicles from the obligation to pay tolls or user charges under specific conditions.

The **main change** compared to the current system will be the introduction of a

new EU-wide tool for varying infrastructure and user charges with regard to heavy-duty vehicles based on **C02 emissions**. The variation will be based on the existing C02 standards. Initially, the scheme will only apply to the largest trucks, but it can gradually be extended to other types of heavy-duty vehicles and regularly adapted to technological progress through implementing acts.

To incentivise the purchase of “best-in-class” vehicles, member states will be able to give preferential treatment to **zero-emission vehicles**.

Member states may continue to apply the current charge variation based on **EURO emission classes** for the existing fleet. However, they will have to apply reduced charges based on C02 emissions for new vehicles.

The main principles for **earmarking** road charge revenue remain unchanged. In general, member states should earmark revenue generated by infrastructure and external cost charges for projects in the transport sector, in particular in support of the trans-European transport network. However, they are not obliged to do so. With regard to revenue generated by mark-ups, transport-related earmarking remains obligatory.

The rules will allow member states to apply higher mark-up (up to 50%) to the infrastructure charge levied on specific highly congested road sections, if all affected member states agree.

Member states will have two years from the entry into force of the directive in which to incorporate the provisions into their national law.

## Procedure

In May 2017, the Commission presented the proposal for a revised Eurovignette directive as part of the first mobility package.

The mandate was approved by ambassadors meeting in the Council’s Permanent Representatives Committee. This allows the presidency to **start negotiations** with the European Parliament on the final text.

## Background: current EU road charging rules

Road charging is a national choice in the EU, and member states can **choose whether or not to introduce it on their territory**. However, if they do opt to levy charges, they must follow certain common rules laid down in the Eurovignette directive. The aim of this is to ensure that the imposition of road charges does not discriminate against international traffic or result in the distortion of competition between transport operators.

Current EU road-charging rules concern **distance-based tolls** and **time-based user charges (vignettes)** for heavy-goods vehicles for the use of certain infrastructures. The idea is that the cost of constructing, operating and developing infrastructure can be covered through tolls and vignettes for road users. The charges may be complemented by an ‘external cost’ charge, aimed at reducing pollution from road transport. Member states may also modulate the

infrastructure charge to take account of road congestion.