

IRU POSITION ON ROAD USER CHARGING FOR HGVs

Adopted by the IRU Goods Transport Council by correspondence subsequent to its meeting held in Yokohama / Japan, on 21 April 2004.

Analysis

1. Road user charge, payment for the use of the roads according to mileage, has been introduced by law in Switzerland, Austria and Germany (practical implementation is being delayed in this country). EU institutions are reviewing a legislative proposal to amend the "Euro-vignette Directive" (1999/62/EC), which would include the road user charging option.

2. The haulage industry has always paid its way and is prepared to continue doing so.

Road user charging does not concern the road goods transport sector alone but the whole economy. Any charges imposed on HGVs, hence the production and logistic processes, are paid by the end-consumers of goods. Politicians, decision makers and the general public should be aware of the fact that any penalty on road transport represents an even greater penalty on European competitiveness.

A fair infrastructure user charging system reflecting real costs caused by any transport mode contributes to an economically viable modal distribution on the transport market.

3. Bearing in mind unilateral national initiatives in the field of distance-related road user charging and the disadvantages for the road haulage industry, the industry welcomes, in principle, a common framework for charging heavy goods vehicles. This will promote the harmonisation of road-specific taxes and charges and thus enhance a better integration of the international road transport market.

4. Fair competition on the goods transport market depends on the coherent application of the non-discrimination principle by mode, meaning other modes of transport being equally subject to the same fiscal imposition and infrastructure charging. This principle should be completed by non-discrimination by nationality of operators or the geographic position of their country of origin.

5. Road user charging should be fiscally neutral, that is it should not mean an increase in the total fiscal burden on goods transport by road. Compensation, through a proportionate fuel tax rebate or a reduction of the vehicle tax, should be compulsory if states introduce infrastructure user charging.

6. Any road user charge for HGVs should be calculated on the basis of costs directly linked to

- a. costs of the construction of new road infrastructure;
- b. costs of improving existing road infrastructure;
- c. costs of maintaining and operating road infrastructure;
- d. financial charges covering the investment in road infrastructure;

Costs to be taken into account in any road user charge should cover the residual value of roads, i.e. their non-amortised value, checked by appropriate evaluations methods like the

“dynamic substance evaluation”, and an amortization over the realistic economic lifetime of the road infrastructure in accordance with appropriate book-keeping standards.

7. External costs, variable elements, surcharges and “mark-ups”, whether time or space related, should not be considered as part of road user charging for HGVs. In particular,
 - The IRU is against uncovered road accident costs being included in the charge. Firstly, because the part in these costs relating to accident causation by heavy goods vehicles has not been scientifically established, and secondly, because the infrastructure user charge is an inappropriate instrument for promoting road safety.

Instead, a more incentive-oriented system based on more differentiated insurance premiums and applicable to all road users should be envisaged.

 - Furthermore, the IRU considers that goods transport operators should not pay for congestion twice, i.e. by costs incurred through time losses on the one hand and by a congestion charge as part of a road user charging scheme on the other. Many types of operations have limited (if any) opportunities to alter their behaviour in response to a congestion charge. Thus, it is simply an additional tax that does not achieve its objective. Therefore, the IRU does not accept congestion charges.
 - The IRU is concerned that surcharges for roads in environmentally “sensitive areas” will constitute a serious penalty on the economy and the mobility of people and goods. Furthermore, there are serious risks that the notion of “sensitive areas” will be interpreted differently by states and that local environmental concerns will lead to additional charges in many regions.
8. The IRU insists that revenue from charging goods vehicles for the use of infrastructure is earmarked for improving the goods transport industry and the road transport infrastructure. The IRU opposes that some national systems openly aim to take money from road transport to develop rail infrastructure, and the IRU urges that revenue is used in particular to make road transport more efficient and safe. This could include measures to make intermodal transport more effective in meeting its clients’ needs.

Position

1. **The haulage industry has always paid its way and is prepared to continue doing so. Any charges imposed on the production and logistic processes are paid by the end-consumers of goods.**
2. **The industry welcomes a common framework for charging heavy goods vehicles.**
3. **Fair competition on the goods transport market depends on a coherent application of the non-discrimination principle in the widest sense including, among other things, full fiscal impartiality for all transport modes.**
4. **The introduction of road user charging should be fiscally neutral. Fiscal neutrality can only be achieved by a proportionate fuel tax rebate or by a reduction of the vehicle tax. In the latter case, unlike with fuel tax rebate, it would be difficult to achieve fiscal neutrality for foreign “visiting operators”.**
5. **Any road user charge for HGVs should be calculated on the basis of costs directly linked to**
 - (a) **costs of the construction of new road infrastructure**
 - (b) **costs of improving existing road infrastructure**
 - (c) **costs of maintaining and operating road infrastructure**

(d) financial charges covering the investment in road infrastructure

Any road user charge should cover the residual value of roads defined in accordance with book-keeping standards.

Road user charge calculations should be accurate as much as possible and reviewed if justified by new indisputable information.

- 6. External costs, variable elements, surcharges and “mark-ups”, whether time or space related, should not be considered as part of road user charging for HGVs. Charges varied according to vehicle weight and axle configuration can be acceptable.**
- 7. Revenue from charging goods vehicles for the use of infrastructure should be earmarked for improving the goods road transport industry and the road transport infrastructure.**

Action

IRU Goods Transport Council and its Members are encouraged to use this Position in all future communications with government officials, the public and press to ensure a united, strong voice on this issue in order to make certain that the criteria for calculating road user charges are the same everywhere.

IRU Goods Transport Council Members are asked to report back to the IRU Secretariat any feedback from governmental authorities when presenting this Position.

Members are also requested to check the information the IRU currently has in its Databank on road user charges for HGVs and to report any further changes in or details on the current fiscal situation in their respective countries to the IRU Information Centre.

The IRU Secretariat will consolidate all information on road user charges reported by Member Associations and inform members accordingly.

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