

## Platform for electromobility comments on the Eurovignette directive ahead of trilogue negotiations

### 1. General Comments

Establishing a level playing field between all modes of land transport requires an ambitious revision of the Eurovignette directive. A level playing field across single market will then allow the development of a clean transportation system in Europe. Both rail and Zero Emission heavy duty vehicles (ZE HDVs) will benefit from it, therefore reducing the impact of land transport on the environment. Revising the Eurovignette directive is therefore a necessary step towards 2050 climate objectives.

Two aspects of the new Eurovignette directive can have a true and significant impact on the deployment of ZE HDVs: external cost charges for air and noise pollution on the one hand, and improving the CO<sub>2</sub>-based tolling system on the other. Internalization of cost and an improved tolling system will significantly reduce CO<sub>2</sub> emissions. The distance-based infrastructure charging coupled with CO<sub>2</sub> differentiation is the ideal for incentivizing cleaner vehicles. Here external cost charging is crucial as well as the application of the “polluter pays” principle.

This reaction paper presents the Platform for electromobility’s point of view vis-à-vis the positions adopted by the European Parliament and the Council. Although ideally the “polluter pays” principle will be applied in all modes, the paper provides the realistic expectations of the electromobility sector to actors in the trilogue negotiations. This paper complements a precedent paper issued after the Commission’s proposal in 2017.

### 2. Air & noise external cost charges

Based on ‘user pays’ and ‘polluter pays’ principles, road charging will make logistic cleaner and limit transport’s climate impact. The Platform for electromobility supports the Parliament’s position on air and noise external cost charges (Am. 68). This support is conditional to:

Air and noise pollution should always be considered together. External cost charge shall be applied for traffic-based air and noise pollution to HDVs by Member States levying tolls. The fight against one pollution type should not be at the expense of the other. Applying external cost charge to either/or of these two pollution types would contradict the ‘polluter pays’ principles. (To avoid any doubt, an external-cost charge for air and noise pollution should not be added as a choice that would rule out varying the infrastructure charge for CO<sub>2</sub>).

The Platform promotes external-cost charging – in principle for all vehicles – by reducing scope for exemptions. External cost charge should not be limited to HDVs and to “vans intended for carriage of goods”. Road charging will then contribute to an efficient transport system, where prices reflect the true external costs of logistic. It will thus give clean options, such as electric road vehicles but also trains, a level playing field to compete. It will also reduce risks of switching between vehicle categories (e.g. trucks to vans).

Finally, external-cost charging should be made mandatory for HDVs on all tolled roads within the scope of the directive from April 2023 (the same time as CO2 variation becomes mandatory on these same roads).

The Council's position however raises concerns about the certainty of the application of various measures. Indeed, the text proposed by the Council leaves a great deal of discretion to the Member States to grant exemptions. It makes pollution charged only mandatory "where environmental damage generated by heavy duty vehicles is the *most significant*" (italics added). Because the terms "the most significant" are not defined to ensure the enforceability of the provision, the Platform suggests removing this condition and making an external cost charge for traffic-based air and noise pollution mandatory for HDVs on all tolled roads.

Any exemption to apply air and noise external costs on the tolled network should be very limited. Additionally, the burden must shift to MS to supply to the Commission the information backing the decision not to charge any particular road section in each case. Diversions can be an example of a very limited exemption. Such an exemption could be allowed where a MS is able to demonstrate that adding air and noise external costs on a particular road section would likely and significantly increase the number of freight vehicles diverting to use a non-tolled alternative.

### **3. CO2-based tolling**

The Eurovignette should not be only about the stick but also about the carrot: shifts to cleaner vehicles should be somehow rewarded. The Platform therefore welcomes the toll reduction for "CO2 emission class 5 - zero-emission vehicles" (ZEVs) from 50% to 75% applicable from April 2023, noting that a toll reduction of up to 100% can be given until the end of 2025. An adequate, clear, easily-applicable tailored methodology should accompany these measures, based on E.U. emissions standards, in order to provide visibility and transparency in road charging schemes.

Besides, on LDVs, the CO2 variation of tolls should remain mandatory as proposed by the Commission.

Finally, the Council proposed a well-developed and balanced, system of CO2-based tolling which could be embraced almost entirely, adding the following improvements:

- Secure mandatory re-classification of emission class 2 and 3 vehicles after 6 years - not merely an 'assessment' as currently provided for in the Council GA.
- Ensure more time certainty regarding the timeframe for emission classes 2 and 3; [X] on p47 of the GA should be 6 months.

These two improvements are important. The first would help to differentiate classes in a future proof manner because without mandatory reclassification, there would be failure to keep pace with the linear emissions reduction trajectory upon which the truck CO2 standards are based, and Member States could take conflicting approaches to trucks six years after their first registration. Second, time certainty is important for emission classes 2 and 3 so that truck sellers and buyers have clarity over the likely toll costs of planned vehicle sales/purchases. With investment certainty, more sustainable purchasing practices and technologies are incentivized.

### **4. A revenue neutral approach**

Distance-based infrastructure charging, when coupled with CO2 differentiation outlined in the previous section, is ideal for incentivizing the shift towards cleaner vehicles.

The Platform supports revenue-neutrality for the CO2 differentiation of tolls as outlined in 7g4: “The variations referred to in this Article shall not be designed to generate additional revenues”. To show relevant variations over time, annual reporting by Member States should also include toll revenues per vehicle-km, by weight and axle category (art. 11.2f).

The intended effect of the CO2 differentiation of tolls is to incentivise users to switch to cleaner vehicles, leading to decreased tolls for zero emission vehicles in particular. Such a decrease is to be offset by a higher level of tolls (average toll rate), in respect of 'user pays', but also for the sake of fair competition with other transport modes such as rail.

**5. Congestion cost**

The Platform welcomes the Commission's proposal, confirmed by the Council position, to consider road traffic congestion costs. However, further analyses of congestion (e.g. definitions, measurement, real impacts and externalities) should be performed ahead of stronger provisions regarding congestion in further legislative revisions.

