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COVER NOTE

From:	General Secretariat of the Council
To:	Delegations
Subject:	Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions - Europe on the move: An agenda for a socially fair transition towards clean, competitive and connected mobility for all **[doc. 9967/17 TRANS 247 CLIMA 168 COMPET 475 ENV 576 - COM(2017) 283 final]** Commission Staff Working Document accompanying the document Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions - Europe on the Move: An agenda for a socially fair transition towards clean, competitive and connected mobility for all **[doc. 9967/17 TRANS 247 CLIMA 168 COMPET 475 ENV 576 ADD 1 - SWD(2017) 177 final]** Commission Staff Working Document - Towards clean, competitive and connected mobility: the contribution of Transport Research and Innovation to the Mobility package **[doc. 10103/17 TRANS 256 CLIMA 175 COMPET 481 ENV 593 RECH 226 - SWD(2017) 223 final]** Proposal for a Directive of the European Parliament and of the Council amending Directive 1999/62/EC on the charging of heavy goods vehicles for the use of certain infrastructures **[doc. 9672/17 TRANS 206 FISC 117 ENV 547 CODEC 927 - COM(2017) 275 final]** Proposal for a Council Directive amending Directive 1999/62/EC on the charging of heavy goods vehicles for the use of certain infrastructures, as regards certain provisions on vehicle taxation **[doc. 10175/17 FISC 136 TRANS 263 IA 104 - COM(2017) 276 final]** Proposal for a Directive of the European Parliament and of the Council on the interoperability of electronic road toll systems and facilitating cross-border exchange of information on the failure to pay road fees in the Union (recast) **[doc. 9673/17 TRANS 217 CODEC 928 - COM(2017) 280 final]** – Opinion of the European Committee of the Regions

Delegations will find attached a copy of the above-mentioned opinion.

European Committee of the Regions

COTER-VI/032

127th plenary session, 31 January – 1 February 2018

OPINION

Europe on the move: promoting seamless mobility solutions

THE EUROPEAN COMMITTEE OF THE REGIONS

- notes that building up infrastructure can improve territorial cohesion and that infrastructure maintenance in many regions is nowadays at such a low level that there is a risk that territorial and social cohesion will deteriorate;
- believes that aspects of territorial and social cohesion must be taken into account. The introduction of road charging schemes must not lead to any exclusion on the basis of geographical location or socio-economic situation;
- notes that the quality of road infrastructure is on average declining and that investment decisions need to be taken in revenue-generating areas. Road tolls and external cost charges collected in one region need, in principle, to be reinvested in the transport infrastructure of the region in close co-operation with the competent local and regional authorities;
- is aware that the external costs of transport such as congestion and air and noise pollution have a serious impact on the environment and health and on the economy as a whole;
- points out that where the changes to the road toll principles (user pays, polluter pays) are applied by Member States and regions, they will inevitably lead to more vehicles using local road networks, with adverse effects on safety, the environment and the costs of maintaining the local road network;
- points out that the calculation of the tolls should take into account the differences between regions in terms of traffic density and the distance between business and residential centres;
- notes that road users are in an unequal position and that the principle of non-discrimination between the different types of road vehicles needs to be implemented.

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Rapporteur

Ivan Žagar (SI/EPP), Mayor of Slovenska Bistrica

Reference documents

Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions - Europe on the move: An agenda for a socially fair transition towards clean, competitive and connected mobility for all
COM(2017) 283 - final

Commission Staff Working Document accompanying the document Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions - Europe on the Move: An agenda for a socially fair transition towards clean, competitive and connected mobility for all
SWD(2017) 177 - final

Commission Staff Working Document - Towards clean, competitive and connected mobility: the contribution of Transport Research and Innovation to the Mobility package
SWD(2017) 223 - final

Proposal for a Directive of the European Parliament and of the Council amending Directive 1999/62/EC on the charging of heavy goods vehicles for the use of certain infrastructures
COM(2017) 275 - final

Proposal for a Council Directive amending Directive 1999/62/EC on the charging of heavy goods vehicles for the use of certain infrastructures, as regards certain provisions on vehicle taxation
COM(2017) 276 - final

Proposal for a Directive of the European Parliament and of the Council on the interoperability of electronic road toll systems and facilitating cross-border exchange of information on the failure to pay road fees in the Union (recast)
COM(2017) 280 - final

Opinion of the European Committee of the Regions -
Europe on the move: promoting seamless mobility solutions

I. RECOMMENDATIONS FOR AMENDMENTS

Amendment 1
COM (2017) 275 - final - Part 1
Article 1
Paragraph (3)
Amend text as follows:

Text proposed by the Commission	*CoR amendment*
1. Without prejudice to Article 9 (1a), Member States may maintain or introduce tolls and user charges on the trans-European road network or on certain sections of that network, and on any other additional sections of their network of motorways which are not part of the trans-European road network under the conditions laid down in paragraphs 3 to 9 of this Article and in Articles 7a to 7k. 2. Paragraph 1 shall be without prejudice to the right of Member States, in compliance with the Treaty on the Functioning of the European Union, to apply tolls and user charges on other roads, provided that the imposition of tolls and user charges on such other roads does not discriminate against international traffic and does not result in the distortion of competition between operators. Tolls and user charges applied on roads other than roads belonging to the trans-European road network and other than motorways, shall comply with the conditions laid down in paragraphs 3 and 4 of this Article, Article 7a and Article 7j(1), (2) and (4).	1. Without prejudice to Article 9 (1a), Member States ***and competent local regional authorities*** may maintain or introduce tolls and user charges on the trans-European road network or on certain sections of that network, and on any other additional sections of their network of motorways which are not part of the trans-European road network under the conditions laid down in paragraphs 3 to 9 of this Article and in Articles 7a to 7k. 2. Paragraph 1 shall be without prejudice to the right of Member States ***and competent local or regional authorities***, in compliance with the Treaty on the Functioning of the European Union, to apply tolls and user charges on other roads, provided that the imposition of tolls and user charges on such other roads does not discriminate against international traffic and does not result in the distortion of competition between operators. Tolls and user charges applied on roads other than roads belonging to the trans-European road network and other than motorways, shall comply with the conditions laid down in paragraphs 3 and 4 of this Article, Article 7a and Article 7j(1), (2) and (4).

Reason
Existing and future road tolls are for the main part operated by local and regional authorities, who should retain management over the level and details of charging. Especially when it comes to artificial distribution of traffic to the secondary road network due to tolls charged on the primary road.

Amendment 2

COM(2017) 275 - final - part 1

Article 1

Paragraph (14)

Point (b)

Amend text as follows:

Commission proposal	*CoR amendment*
"3. Revenues generated from congestion charges, or the equivalent in financial value of these revenues, shall be used to address the problem of congestion, in particular by: a) supporting collective transport infrastructure and services; b) eliminating bottlenecks on the trans-European transport network; c) developing alternative infrastructure for transport users."	"3. Revenues generated from congestion charges, or the equivalent in financial value of these revenues, shall be used to address the problem of congestion, in particular by: a) supporting collective transport infrastructure and services; b) eliminating bottlenecks on the trans-European transport network; c) developing alternative infrastructure for transport users; ***d) supporting the development of local and regional transport systems.*** ***Member States will be considered to be applying this provision if they implement a support policy which ensures funding for the development of a local and regional transport network with the objective to address and alleviate the reasons for congestions, to the value of at least 15% of revenue generated by congestion charges.***"

Reason
The European Committee of the Regions considers that the text of the directive should be more explicit in making it mandatory for the organisations collecting the charges also to channel part of the revenue to peripheral regions and regions which are far away from the European network.

II. POLICY RECOMMENDATIONS

THE EUROPEAN COMMITTEE OF THE REGIONS

Key messages

1. stresses the importance of an efficient, sustainable transport system for the economic competitiveness of cities and regions as well as its importance for strengthening the social, economic and territorial cohesion of the European Union. Local and regional authorities are responsible for shaping and implementing regional and urban transport policy and for ensuring public passenger transportation in their area. However, decision-making at local level is closely tied in with the framework laid down by national and European policies;

2. is aware that the external costs of transport such as congestion and air and noise pollution have a serious impact on the environment and health and on the economy as a whole. At the moment, costs are paid by those who generate them to a lesser extent, while society pays the rest. Transport creates nearly a fifth of all greenhouse gas emissions in Europe. There is an urgent need for measures to decarbonise transport;

3. notes that building up infrastructure can improve territorial cohesion and that infrastructure maintenance in many regions is nowadays at such a low level that there is a risk that territorial and social cohesion will deteriorate. In those areas where road tolls are collected, it is necessary for the money thus generated to be reinvested in local and regional infrastructure, above all in such a way as to reduce the differences in the degree and quality of regions' connections with the European transport network; calls for any re-investment into the transport systems to ensure the sustainability of those systems as one of the main aims;

4. stresses that road charging must first and foremost be based on distance travelled and should encourage the use of infrastructure at off-peak times. Further criteria such as traffic density, distance from business centres and distance between centres of economic power may also be taken into account. High or increased costs for accessing the European network discriminate against peripheral and remote regions and further damage territorial and social cohesion;

5. welcomes the Agenda for a socially fair transition towards clean, competitive and connected mobility for all, where it is stated that an even more comprehensive approach is needed in terms of level (national, regional and local) and in terms of different policies. It shares the conviction that, in order to achieve the objectives that have been set, more targeted rules and standards are necessary with numerous support measures;

6. stresses the need for more connected and automated mobility and to keep pace with current trends, such as electromobility and vehicles which communicate with other vehicles and with the surroundings (V2X technology);

7. strongly believes that the digitalisation of transport, for example via user information systems, can optimise traffic flows and the use of transport infrastructure; therefore encourages all Member States and regions to develop and implement plans for the interoperable digitalisation of transport systems;

The trend towards decarbonisation of transport

8. reiterates the need for the **decarbonisation of transport**.
   At the moment, transport is the only sector where CO2 emissions are still above 1990 levels and keeps growing in many Member States. The policy document *Europe on the move* and the proposed legislation on charging for infrastructure use are the first two steps towards a low carbon transport system. Road charging as a deterrent to irrational road transport use undoubtedly has a key role to play in decarbonisation;

9. points to the challenges and opportunities which "green mobility" brings.
   When implementing the restrictive measures in relation to environmentally-friendly transport, the economic importance of the transport sector must be borne in mind. Considering that transport is one of the biggest sectors in terms of jobs and economic activity, the decarbonisation of transport will lead to some problems. However, with environmentally-friendly and decarbonised transport, new and innovative areas of economic activity could be created, and Europe could play a leading role; it urges the Commission to progressively support the transition to "green mobility" so as to attenuate the negative effects;

10. welcomes the changes to the taxation of heavy goods vehicles, as set out in the proposal for a Directive amending Directive 1999/62/EC on the charging of heavy goods vehicles for the use of certain infrastructures, as regards certain provisions on vehicle taxation, as they do not prevent Member States from maintaining or even increasing taxes for heavy goods vehicles if they choose to do so;

11. points out that where the changes to the road toll principles (user pays, polluter pays) are applied by Member States and regions, they will inevitably lead to more vehicles using local road networks, with adverse effects on safety, the environment and the costs of maintaining the local road network. At the same time, there will be unused motorway infrastructure capacity. The effect will certainly be more pronounced in EU regions with a low value of time, as confirmed by the results of analyses carried out in individual regions. Phasing out of vignettes, where they are used in such regions, will certainly have a number of adverse consequences;

The issue of market distortion and discrimination in transport

12. highlights the **issue of market distortion** caused by **unfair competition between transport modes** in particular.
   This is particularly marked between rail and road, but also indirectly reduces the competitiveness of water transport. While rail operators pay for the use of infrastructure on the whole network and external transport costs are included in the price, only road freight transport is currently included within the scope of the directive, which does not cover the total external costs of transport. This creates an unfair advantage for transport modes that are less environmentally friendly;

13. notes that road users are in an unequal position and that the **principle of non-discrimination between the different types of road vehicles** needs to be implemented. Passenger cars, vans, buses and coaches are excluded from the polluter pays principle, although these vehicles are major polluters of the environment (13.5% of total EU greenhouse gas emissions) and cause damage to infrastructure;

14. welcomes the shift to tolls based on **distance travelled**, as they are fairer than flat-rate charging for road use. The payment of fees and tolls on a basis that is coordinated, digital and interoperable throughout the EU would create a level playing field for the single market and ensure **non-discrimination between EU citizens** and **transport operators** from the different Member States;

15. points out that the **calculation of the tolls** should take into account the **differences between regions** in terms of traffic density and the distance between business and residential centres;

16. **calls for fairness in charging** for road use and for greater harmonisation of prices with regard to the length of use. An appropriate ratio between the price for short-term or occasional use and for permanent or long-term use must be ensured;

17. considers that more consistent inclusion of buses and coaches in the road toll system is required by the application of the polluter pays principle and would reduce the competitive disadvantages of rail transport, which has to pay track access charges; notes, however, that in areas where rail transport is not a serious travel option, increasing costs for bus and coach operators is not desirable;

The challenges of territorial and social cohesion

18. believes that aspects of **territorial and social cohesion** must be taken into account. The introduction of road charging schemes must not lead to any exclusion on the basis of geographical location or socio-economic situation. Particular attention should be paid to vulnerable social groups and regions where there are no possible alternatives to individual road transport. Low-income groups must not suffer as a result of tolls when commuting to work by passenger car, if this is their only viable option;

19. calls for the principle of solidarity (from regions that generate income to regions whose development is lagging behind) to be applied when allocating toll revenue, ploughing it back into local road infrastructure and cross-financing more environmentally friendly modes of transport;

20. stresses the need for cities and regions to **embrace road tolls** and see them as a tool for achieving their development goals. The allocation of revenue from tolls plays a decisive role in this. The acceptance of charging for road infrastructure will depend on balancing the expectations of those who want that the revenue will be reinvested in local road infrastructure and the overall aim of investing into long-term sustainable alternative transport solutions;

21. notes that the **quality of road infrastructure** is on average **declining** and that investment decisions need to be taken in revenue-generating areas. Road tolls and external cost charges collected in one region need, in principle, to be reinvested in the transport infrastructure of the region in close co-operation with the competent local and regional authorities. An exception may be the redistribution of certain tolls from congested areas to areas with low traffic volumes;

22. welcomes the possibility of imposing infrastructure charges proportionate to the road quality provided (in capacity and technical terms), as an effective and appropriate measure for dealing with the poor road infrastructure maintenance situation;

23. stresses the urgent need for **investment in more environmentally-friendly transport modes**. With a view to social and territorial cohesion, toll revenue may also be invested in more environmentally-friendly modes of transport and expansion of public transport to regions which are not easily accessible;

24. considers that **investment in sparsely-populated and outlying regions** may be difficult to implement in public-private partnership. The possibility of entrusting construction/maintenance to a private firm in return for collected tolls is not attractive for those regions which do not have enough traffic for the private concession-holder. Therefore, a public-private partnership for operations should be considered to be a model that is appropriate under certain circumstances in certain regions, but it must not hinder public investment in less populated or more outlying regions;

25. **draws attention to** the differences in expectations and standards between Member States and regions. The common European charging system for external costs sets thresholds and minimum standards. However, it should allow Member States (or regions) to exceed them by setting up **more ambitious schemes** where this is justified by special circumstances that give rise to high external costs. High external environmental costs (e.g. in mountainous regions) must tackle the problems in the region in question;

Cross-border and European interoperability of electronic toll systems

26. agrees with the observations that despite the Electronic Toll Service (EETS) Directive (2004) and its implementing decision (2009), with rare exceptions there is no cross-border interoperability — the costs and inconveniences are thus borne by users and the bodies that provide and maintain these systems. The CoR therefore supports the planned changes in order to work towards achieving a European-wide interoperable system in the long run;

27. points out that a simple and affordable solution must be found. It could be compulsory for new cars to be equipped with this solution or for a single interoperable box to be installed on other vehicles. In the Single European Transport Area, electronic equipment for charging for the use of transport must not discriminate on the basis of different national or regional origin. Cross-border and pan-European interoperability of toll collection systems and the proportionality of the costs of their short-term and long-term use must be ensured; underlines also the need to further standardise the road-charging systems when developing EU wide standards for charging electric vehicles;

28. stresses the **need for data protection**. A robust legal framework must be established to protect individual data while providing minimum information to the toll operator;

29. supports efforts for effective cross-border and pan-European pursuing of offenders. In this regard, the principle of data protection must not be used as a reason to avoid taking action against offenders.

Brussels, 1 February 2018

The President
of the European Committee of the Regions

Karl-Heinz Lambertz

The Secretary-General
of the European Committee of the Regions

Jiří Buriánek

III. PROCEDURE

Title	Europe on the Move: promoting seamless mobility solutions
Reference(s)	COM (2017)283 final, SWD(2017)223 final, SWD(2017)177 final, COM(2017)276 final, COM(2017)280 final, COM(2017)275 final
Legal basis	Article 307 TFEU
Procedural basis	Rule 41 a) of the CoR Rules of Procedure
Date of Council/EP referral/Date of Commission letter	– letters from the Commission: 31.5.2017 – letters from the Council: 12.6.2017 and 20.6.2017 – letters from the Parliament: 22.6.2017 and 23.6.2017
Date of Bureau/President's decision	9 October 2017
Commission responsible	Commission for Territorial Cohesion Policy and EU Budget (COTER)
Rapporteur	Ivan Žagar (SI/EPP) Mayor of the Municipality of Slovenska Bistrica
Analysis	25 October 2017
Discussed in commission	13 December 2017
Date adopted by commission	13 December 2017
Result of the vote in commission (majority, unanimity)	unanimity
Date adopted in plenary	1 February 2018
Previous Committee opinions	• Opinion (CDR 1426/2015) *Implementation of the 2011 white paper on transport* • Opinion (CDR 2552/2017) *A European strategy on Cooperative Intelligent Transport Systems* • Opinion (CDR 18/2017) *A European Strategy for Low-Emission Mobility* • Opinion (CDR 4294/2016) *Missing transport links in border regions* • Opinion (CDR 1531/2017) *Future CEF Transport*
Date of subsidiarity monitoring consultation	N/A