



UNION EUROPEENNE DE L'ARTISANAT ET DES PETITES ET MOYENNES ENTREPRISES
EUROPÄISCHE UNION DES HANDWERKS UND DER KLEIN- UND MITTELBETRIEBE
EUROPEAN ASSOCIATION OF CRAFT, SMALL AND MEDIUM-SIZED ENTERPRISES
UNIONE EUROPEA DELL' ARTIGIANATO E DELLE PICCOLE E MEDIE IMPRESE

UEAPME TRANSPORT FORUM

UEAPME Position on the Review of the Directive 1999/62/EC on the charging of heavy goods vehicles for infrastructure use ("Eurovignette"-Directive)

1. Will intended measures really help to reach the objectives?

The key objective of the proposal is aimed to reduce the negative impact of the road haulage sector on the environment by integrating external costs for society like congestion, air pollution and noise as well as accidents following the "the polluter pays-principle". **UEAPME fears that the proposal will only increase costs especially for SMEs rather than generating positive effects for the environment and infrastructure.**

In addition, there is no reliable methodology in sight for the calculation and internalisation of such external costs. All figures offered are only rough estimates, as they concentrate unilaterally on the road haulage sector, not including the huge fleet of passenger cars, trains, ships, or any other environment polluters. **So, the directive's approach of charging the road transport sector only, is highly discriminating.**

2. Earmarking – reinvesting into the road transport sector

The road haulage sector has always supported the idea of greening transport and constantly contributed to improve its own sustainable performance by using "cleaner" lorries. It is also very well known that in recent years the sector's toll & tax contributions to public authorities were not used for environmental or infrastructural purposes but rather to patch existing deficits of EU member states. The fiscal character of the Eurovignette is far too obvious. **Therefore, UEAPME requests that the revenue generated has to be directly reconnected to the road haulage sector. Member States must reinvest the collected tolls in the improvement of road transport infrastructure rather than co-financing the development of other modes of transport.**

3. Is the road haulage sector the only one responsible for congestion, accidents and climate change?

Main causes for congestion are construction works on the roads and high passenger traffic volume especially during peak hours, not heavy vehicles by their mere existence. As the European Commission correctly states, costs of accidents are already covered by existing third party insurances or other liability legislation. In addition, exhaust fumes from fuel consumption are one of many global factors that contribute to climate change but not the major cause. **Charging road transport enterprises in this context leads to double taxation hitting especially SMEs hard.**

General remarks:

UEAPME represents more than 12 million SME enterprises, which employ around 55 million people across Europe.

UEAPME welcomes the move towards making transport in Europe more efficient by fostering sustainable methods of transportation and hence reducing environmental pollution whilst increasing the quality of life for Europe's citizens at the same time. UEAPME also acknowledges that this fact is being tackled in numerous initiatives.

However, UEAPME points out that the road transport sector has constantly contributed to keeping environmental damages to a minimum and to foster its own sustainable performance by using "cleaner" lorries. In addition, the current financial crisis, existing tolls for using high-level road infrastructure and the steep increase of fuel prices in the last year are major challenges which the transport sector is already facing.

Therefore, UEAPME would like to raise the following.

Main concerns:

1. Will intended measures really help to reach the objectives?

The key objective of the proposal is aimed to reduce the negative impact of the road haulage sector on the environment by integrating external costs for society like congestion, air pollution, noise and accidents which should improve the efficiency and environmental performance of road transport.

However, there is no reliable methodology in sight for calculating the internalisation of any such external costs. All figures offered are only rough estimates, as they concentrate unilaterally on the road haulage sector, not including the huge fleet of passenger cars, trains, ships, aircrafts or any other environment polluters. **So the directive's approach of charging this sector only is highly discriminating.**

Moreover, the mere payment of tolls does not have any impact on the environment by itself. UEAPME opposes any conclusions that the rising of road tolls is a universal remedy towards more sustainability of Europe's environment or towards the development of a more intelligent infrastructure.

UEAPME fears that the proposal will only increase the costs especially for SMEs rather than generating positive effects for the environment and infrastructure.

Furthermore, the free movement of people, goods and services within all areas of the common market has always been among its very basic rights – and it has always been executed and guaranteed by the transport sector. **In this sense the road haulage sector is neither an enemy to Europe's society nor to our environment.** Not a single positive external effect of the transport sector is mentioned anywhere like the creation of jobs, the added value to Europe's GDP or ensuring constant medical supplies for the citizens of Europe.

During the council meeting from 15-16 October 2008, the presidency of the European Union expressed its intentions for strong financial support to the EU vehicle manufacturers which – during the current world-wide financial crisis – are suffering from major shortages. The road haulage sector is the main client of this industry and it seems ambiguous and contradictory to the SBA with its "Thinks small first"-approach to support few big players while putting more charges on the SME road transport sector at the same time.

Long-range heavy goods vehicles versus Lorries under 12t

Notwithstanding the fact that UEAPME rejects higher costs for road freight transport in general, UEAPME particularly requests that **vehicles below 12t shall be exempted from the scope of the directive even after 2012.**

Locally operating short distance commercial vehicles between 3,5t and 12t cannot be compared to long-range heavy goods vehicles since they often use local, regional or urban infrastructure and performing "Last-mile-delivery". Thus, they have a very different impact on the environment and also on the related external costs.

In addition, many of those vehicles are the commercial backbone of numerous SMEs throughout Europe. Not only are they being used for transportation, but also for working and/or servicing purposes (e.g. carrying cranes). Charging SMEs for using lorries under 12t will only impose huge administrative burdens to already embattled local SME carriers and will not generate noteworthy revenue to public authorities. If a general exemption cannot be obtained for vehicles between 3,5 and 12t, the legal text shall impose different treatment upon member states for lorries below 12t that are not used for long-distance transports but only operate in local areas. The two possible cases for exemptions explicitly stated in the revision (Point 2 amending "Art 7") are too complicated to implement and do not reach far enough.

Special Case: Caravans and motor homes

UEAPME would like to clarify that non-commercial vehicles between 3,5 tons and 12 tons like caravans or motor homes have to be treated differently as well by the directive and in the consequence by member states due to their nature of transporting people and not goods. In addition, their purpose is connected to leisure activities and not to commercial transport of products and their environmental behaviour is quite opposite to the commercial fleet of SMEs.

Therefore UEAPME requests the exemption of caravans and motor homes from the scope of the directive.

2. Earmarking

The road haulage sector has always supported the idea of greening transport, and also contributed to make its own performance more sustainable. On the contrary, it is very well known that in recent years the sector's toll & tax contributions to public authorities were hardly reinvested in making transport environmentally more friendly or sustainable. UEAPME highly objects to the fact that the directive explicitly allows the co-financing of the entire transport system – especially considering the fact that the directive singles out road transport. Therefore, **UEAPME strongly requests that all levied charges on heavy goods transporting vehicles must be reinvested by the member states in specific projects improving the environment & road transport infrastructure connected directly to the heavy goods traffic only.** Otherwise the fiscal character of the proposal seems far too obvious.

3. Is road haulage sector the only one responsible for congestion, accidents and climate change?

Congestion: Main causes for congestion are construction works on the roads and high passenger traffic volume especially during peak hours, not heavy vehicles by their mere existence. The costs of congestion in time and money (longer working hours, higher fuel costs and contractual penalties) are already internalised by the heavy goods transport operators. In addition, today, heavy goods transport

operators have little scope left to decide when to deliver their goods. "Just-in-time" transactions are the rule not the exception for business transfers. Customers expect high-level service and on-time delivery. Entrepreneurs already try to avoid peak hours and congested routes to the highest extent possible. Charging them for something they are not responsible for only creates further frustration.

Accidents: Costs of accidents are already covered by existing third party insurances. Any additional tolls would lead to unacceptable double taxation. Therefore, UEAPME fully agrees with the Commissions' proposal to prohibit the internalisation of external costs of accidents.

Climate Change: CO₂-emissions from fuel consumption are one of many global factors that contribute to climate change but not the major cause. The European Commission estimates that external costs of emissions are easier tackled via fuel taxes. Opposing any further fuel taxes as well, UEAPME fully agrees with the EC on not introducing external charges to internalise the costs of climate change in order to avoid another double taxation trap which would hit especially SMEs extremely hard.

UEAPME strongly requests that member states cannot levy charges on heavy goods vehicles for congestion, accidents and CO₂-emissions.

4. Enabling character of the directive

UEAPME welcomes the fact that each member state can choose whether to apply charges in order to internalise external costs or not. However, this principle might lead to more confusion rather than reduce administrative burdens for carriers if every member state chooses to apply a different calculation system as well as a different method of technical implementation.

5. Distance versus time based charging

Notwithstanding the fact that UEAPME strongly rejects all further costs being imposed upon the road transport sector, UEAPME favours distance-based charges, as they can be calculated and monitored in a more effective way than time-based charging.

6. Methodology for calculation: Maximum CAPS are needed

Methods for calculating external costs have to be the same for every member state. 27 different calculation methods add to the existing confusion and highly increase administrative burdens for those enterprises operating internationally in the road transport sector. **Therefore UEAPME requests fixed maximum rates that EU member states can apply.** In addition, the methodology for calculation as suggested in ANNEX IIIa should be less complicated and more transparent. The range in which MS can operate is too wide and could easily be abused and cause even more harm to the road haulage sector.

7. Uniform procedures for technical charging systems in all MS

With regards to the actual administrative implementation of a charging system, UEAPME also requests strictly uniform electronic or similar systems in all MS in order to enable free flow of traffic. Different levying procedures in 27 member states create confusion and – again – **will highly increase the administrative burden for each enterprise relying on efficient and fast road transport.**

8. Tackling additional administrative burdens for SMEs when calculating external costs

UEAPME would also like to draw attention to the fact that introducing new charging systems entails further administrative burdens generating higher internal costs, especially for SMEs:

In order to calculate possible costs as a freight forwarder in the future and in order to provide clients with a valid estimation of the transaction price, a carrier will need

- to know each calculation system of each member state applying ANNEX III a of the directive
- to buy new hard- and software that calculates and combines all systems within the EU road network
- to plan exactly the distance and route to take hoping for no detours along the way

UEAPME appreciates the discussion on the revised Eurovignette-Directive and calls upon the European Commission, the European Parliament and the Council to consider the impacts it will have on European SMEs working in the road haulage sector.

Person in charge:

Iris Marlovits

Rue Jacques de Lalaing 4, 1040 Bruxelles

i.marlovits@ueapme.com

T +32 2 285 07 01 | F +32 2 230 78 61