



PRESS RELEASE

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(begin press release)

INTERNALIZATION OF EXTERNAL COSTS : EUROPEAN PARLIAMENT'S MISSED CHANCE

UETR expresses its disappointment over outcome of today's vote of Transport and Tourism Committee of the European Parliament, backing the text drafted by rapporteur Mr. Saïd El Khadraoui: *"the text adopted by MEPs lacks political courage and prefers to avoid confrontation with governments by penalizing a sector representing the backbone of EU real economy"* said UETR President Francesco Del Boca.

The vote seems to finalize the framework for the internalization of external costs for trucks but only transport companies seem to receive the bill while other modes of transport, including private cars, cause similar external costs. These taxes risk to cause only an increase of costs, without the guarantee of an actual improvement of the sector and of environmental sustainability.

In 2008, the European Commission launched a proposal for the internalization of external costs for heavy goods vehicles, with the intention to offer Member States in a uniform way the possibility to bill any additional costs on top of the costs for infrastructure. This refers to costs such as congestion, noise and harmful emissions.

At first reading, the EP had required that an extra charge for congestion was only possible if similar measures would be taken for private cars. In the meantime, a first draft had been approved by the Ministers. In this version, the charge for congestion was changed into an extra charge for infrastructure during peak moments of the day.

No trace whatsoever in today's text of any obligation for MS to foresee measures for private cars in case of charging external costs to trucks.

"Road haulers will have to pay for congestion, being at the same time its first victims. The peak period during which the higher charge will be levied is extended up to 8 hours; thus, it is said, carriers will be stimulated to find alternative and less congested routes: that is absolutely not realistic in many countries, due to geographical reasons as well as to certain types of goods (e. g fresh products) . This will only lead to an increase of costs as well as inefficient logistical flows" continues Del Boca.

European haulers are also very opposed to the idea that vehicles meeting the requirements of euro VI norm, which are not even for sale today and (no sooner than 2013 the new standard), would be exempted from this extra charge for external costs for only 3 years. This period is too limited to



encourage entrepreneurs to enhance investments in the best future technology. Moreover, euro III (or at least euro IV) have not been exempted but still represent a large part of EU businesses' fleets.

"It seems in practice that decision makers continues to decide totally free from objective assessments of facts and figures, widely produced, relying instead on statements and assumptions that have no counterpart whatever in the real world" adds Del Boca.

Earmarking is another thorny problem. UETR concludes that the Parliament provides a compulsory reinvestment in the 'sector of transport' – already an improvement to the suggestion of the Council – which will give Member States the opportunity to decide autonomously. European haulers, however, feel that the income from these charges should be reinvested both into infrastructural needs and road transport sector.

In the compromise, toll revenues are allocated to transport infrastructure in general, not even distinguishing between different modes.

UETR hopes that at the Plenary Session in June common sense will prevail and MEPs will vote with greater sensitivity by carefully assessing all aspects of the issue and that in the search for a compromise between Member States and Parliament politicians get sense of reality.

(end press release)

