The German HGV Tolling System:

System overview, spatial impacts, first experiences and Consequences for future European HGV tolling systems



Carsten Schürmann RRG Spatial Planning and Geoinformation

Transport Days Molde 2005 Financing and Political Decision Making

22-23 November, Molde University College

Molde, Norway

Presentation Contents

- Part 1. System Overview
- Part 2. First Results Concerning Traffic and Spatial Impacts
- Part 3. First Experiences Current Political Discussions



Part 1.



The German HGV Tolling System - Objectives

- To charge road <u>users</u> for road investment and maintenance costs (-> from taxes to user payments)
- To ensure future financing of further extensions and maintenance of transport infrastructures
- To give *incentives* to shift goods transport to more *environmental-friendly modes*
- To promote development of *innovative technologies*
- System development by *private company* (Toll Collect), authorisation of this company to *collect the tolls* on behalf of the Federal Government



The German HGV Tolling System - Features

- automatically differentiate pre-defined road sections that are charged from none-charged sections
- take into account the amount of vehicle emissions as well as the number of vehicle axes
- 'free flowing system' (i.e. to calculate the toll without having to stop vehicles)
- 'dual system' for automatic ticketing as well as manual ticketing without discriminating drivers from foreign countries
- Inclusion of all technical requirements to be used in future in other countries as well



Turnpike Road Network

since 1 January 2005

- only motorways are charged with 12.4 Cent/km (legal basis: Directive 1999/62/EC on charging of heavy goods vehicles for the use of certain infrastructures)
- for heavy vehicles
- altogether
- **12,000 km of motorways**, divided into 5,200 sections
- 2,600 motorway exits
- 600 parkings



Road Segments and Costs

A 1					+
BAB	Von		Nach		Km
1	-	AN Oldenburg i.H. Nord (Übergang A 1/B 207)	9	AS Oldenburg i.HNord	1,1
1	9	AS Oldenburg i.HNord	10	AS Oldenburg i.HMitte	1,3
1	10	AS Oldenburg i.HMitte	11	AS Oldenburg i.HSüd	1,0
1	11	AS Oldenburg i.HSüd	12	AS Lensahn	8,2
1	12	AS Lensahn	13	AS Neustadt i.HPelzerhaken	11,5
1	13	AS Neustadt i.HPelzerhaken	14	AS Neustadt i.HMitte	5,5
1	14	AS Neustadt i.HMitte	15	AS Eutin	5,6
1	15	AS Eutin	16	AS Scharbeutz	2,0
1	16	AS Scharbeutz	17	AS Pansdorf	3,2
1	17	AS Pansdorf	18	AS Ratekau	6,6

From-exit (begin section) To-exit (end section) length standard length used to calculate actual tolls



Toll Collect – System Overview



Option 2: Internet, terminal (3,700 all over Europe)



Stationary Toll Terminals (ex. Border DE/PL)



An der B112

Biegener Hellen Nord / A 12

Esso Tankstelle

Containerstandort Biegener Hellen Nord

-

1

1

15890 Eisenhüttenstadt

15236 Jacobsdorf



Toll Collect – 3-way Control System

- automatic stationary control by means of so-called 'control bridges' (300 bridges so far all over Germany)
- mobile controls through the Federal Agency for Goods Transport (Bundesamt für Güterverkehr – BAG)
- company controls at the premises of the commercial forwarders/operators



Toll Collect – Enforcement (stationary & mobile)





Direct communication via radio contact

Part 2.

First Results concerning Traffic and Spatial Impacts



Revenues until Oct 2005



Revenues earmarked for targeted transport infrastructure projects, mainly devoted for the further development of the *trunk road network*, but partly also for *railway* and *inland waterway projects*.



Toll Earnings: Domestic/International



BAG, 2005



Expected Impact Fields

- Route choice (7%)
- Movements with empty trailers (deadheads)
- Truck weight reduction (< 12 t) (6%) and other technical measures (8%)</p>
- Passing on of tolls to orderes
- Modal split
- Re-location of households, firms (spatial impacts)
- Environmental impacts



(8%) = first survey among German forwarders

Route choice (Theoretical Considerations)





Route Choice: From Motorways to Secondary Roads





Shift is of great concern:

It happens *quite often* because of the *high quality of the trunk roads*, but it causes *severe problems within cities* and towns.

Empty Movements (Deadheads)

First empirical results:

Reduction of number of deadheads of about **15** %



Passing on of Tolls to Orderers

General, *forwarders succeeded* in *passing on* the additional toll charges to the orderers, but:

in *some market segments* this turned out to be *extremely difficult*

✗ for *local and/or regional transports* this turned out to be almost impossible

x in border crossing movements German forwarders could not achieve cost-effective prices

X Tolls for **empty movements** are fully charged to forwarders (exception: exceptional transports)

✓ if the transport is part of an overall logistic service, orderers are willing to take over additional toll costs

but: often *long-time contracts* are still in force, so most changes are still to be negotiated between forwarders and orderers



Effects on Modal Share

So far, significant effects could not be observed, because:

- many forwarders are specialists for road transport, and see little incentives to shift to other modes
- for overall logistic companies it takes time to adjust their computer software (transition phase not yet completed, maybe greater effects in near future)
- for international transports the section on German motorways is only small part of overall trip, so little incentives to shift to other modes
- for *local/regional transports* often *no other mode* is available at all but:
- general forwarders experienced with all modes of transport do have interest in shift to other modes, if it is more cost-efficient



Shifts might occur as far as general logistic services are concerned

Part 3.

First Experiences Current Political Discussions



- (too) ambitious technical system (delay of system start of about 1 year) (-> loss of earnings for federal government. Government tries to enforce 5.1 billion EUR from Toll Collect)
- Installation of on-board units (OBU, ~ 150 EUR per unit) (-> development of support network of lorry garages all over Europe)
- Installation of a huge number of stationary toll terminals all over Germany and also abroad (Toll Collect Service Network)

Flexible OBU software (->future developments)



Control bridges were often mixed up with radar speed traps (->lead to a number of severe accidents)

Political Experiences

- Various possibilities for system abuse (mainly because BAG lacks necessary manpower, 1 staff/142 km motorways)
- Discrimination of German forwarders (higher taxes compared to other countries, but same charges)
- Revenues for the first year seems to meet expectations, 1/3 through foreign trucks
- System not capable to cope with a system extension to private cars (300,000 trucks vs. 40 Mio cars)
- Toll Collect system also *recognized in other countries*



Transport Experiences

- Significant shifts in route choices (additional congestion problems in secondary road network)
- Passing on of additional toll costs to orderers succeeded in many cases, but not always
- No effects on shifts in modal share
- Reduction of the proportion of empty movements (15%)



Current Political Discussions

- How to counteract *abuse* (~ 2%)? (controls ~ 12%)
- **Raising per-kilometre charge** from 12.4 to 15 Cent
- Inclusion of *indirect costs* (environmental impacts etc.)
- Distinction between *high-emitting* (=higher charges) and *low-emitting* vehicles (=lower charges)
- Extension of charged-roads to secondary trunk road network ('Bundesstraßen', i.e. national roads)
- Compensation for German forwarders
- Inclusion of *smaller goods vehicles* (> 3.5 tonnes)
- Local tolls within cities? Closure of roads for trucks?
- Extension to private cars



Privatisation of German motorway network

Dipl.-Ing. Carsten Schürmann RRG Spatial Planning and Geoinformation Eichenweg 16 D-23758 Oldenburg i.H. Germany

Email: cs@brrg.de Internet: www.brrg.de

Tel.: +49 (0) 4361 / 508 777

Fax: +49 (0) 4361 / 508 779

