

# Revision of the European Electronic Tolling Service (EETS) Directive

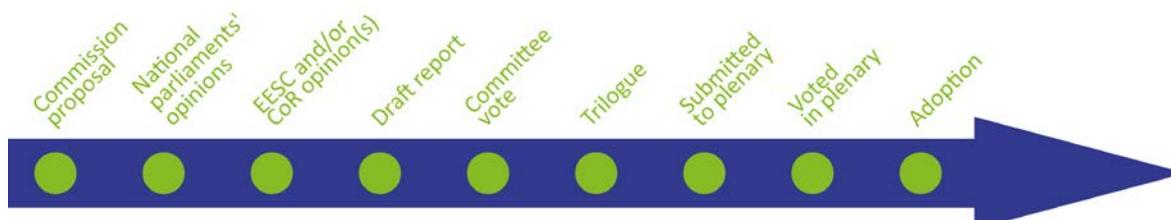
## OVERVIEW

On 31 May 2017, the Commission adopted a proposal for a directive 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. It was presented within the context of the Commission's first 'Europe on the Move' package that seeks to modernise mobility and transport.

Tying in with the 2015 energy union strategy and the Commission's 2016 European strategy for low-emission mobility, and announced in the 2017 Commission work programme, the revision of the European Electronic Tolling Service (EETS) was presented together with the revision of the directive on the charging of heavy goods vehicles for the use of certain infrastructures (the Eurovignette Directive).

Interinstitutional (trilogue) negotiations concluded on 20 November 2018. The agreed text was formally adopted by Parliament on 14 February 2019 and by Council on 4 March 2019. The final act was then published in the Official Journal on 29 March 2019. Member States now have until 19 October 2021 to apply the directive's measures in their national laws.

<b>Proposal for a directive of the European Parliament and 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)</b>		
<i>Committee responsible:</i>	Transport and Tourism (TRAN)	COM(2017) 280 31.5.2017
<i>Rapporteur:</i>	Massimiliano Salini (EPP, Italy)	2017/0128(COD)
<i>Shadow rapporteurs:</i>	Olga Sehnalová (S&D, Czech Republic) Evžen Tošenovský (ECR, Czech Republic) Matthijs van Miltenburg (ALDE, The Netherlands) Jakop Dalunde (Greens/EFA, Sweden) Rolandas Paksas (EFDD, Lithuania)	Ordinary legislative procedure (COD) (Parliament and Council on equal footing – formerly 'co-decision')
<i>Procedure completed.</i>	Directive (EU) 2019/520 <a href="#">OJ L 91, 29.3.2019, pp. 45-76</a>	



## Introduction

The revision of [Directive 2004/52](#) on the interoperability of electronic road toll systems ties in with the 2015 [energy union](#) strategy, which highlighted the Commission's intention to propose a comprehensive road transport package promoting more efficient pricing of infrastructure, the roll-out of intelligent transport solutions and enhanced energy efficiency. The revision is part of the Commission's 2016 European strategy for [low-emission mobility](#), which mentioned that in order to reflect the polluter-pays and user-pays principles more effectively, the Commission would be developing 'standards for interoperable electronic tolling systems in the EU, to facilitate access to markets for new tolling service providers and to reduce overall system costs'. The [initiative](#) would also contribute to achieving goals in the fields of justice and fundamental rights, as it proposes a legal framework for the exchange of vehicle registration data for the purpose of toll enforcement.

The [2017 Commission work programme](#) confirmed the revision of the European Electronic Tolling Service (EETS) Directive 2004/52/EC together with the revision of [Directive 1999/62/EC](#) on the charging of heavy goods vehicles for the use of certain infrastructures, presented in parallel to this initiative, the latter being a means to [improve](#) the effectiveness and efficiency of [road charging](#). This proposal is also part of the Regulatory Fitness Programme (REFIT), which focuses on cutting red tape for companies.

On 31 May 2017, the Commission adopted the [proposal](#) for a directive 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, together with an [impact assessment](#) and [executive summary](#), an [ex-post evaluation](#) and related [summary](#). It was presented within the context of the Commission's first [Europe on the Move](#) package that seeks to modernise mobility and transport, together with a [communication](#) outlining a long-term plan to deliver clean, socially fair and competitive mobility. The Commission has since then presented two further 'Europe on the Move' mobility packages, in November 2017 and [May 2018](#).

## Existing situation

The existing EU [legal framework](#) for electronic toll collection (ETC) consists of two pieces of legislation: Directive 2004/52/EC on the interoperability of electronic road toll systems and Commission Decision 2009/750/EC on the definition of the European Electronic Toll Service and its technical elements. Their purpose is to make all European ETC schemes interoperable through a European Electronic Toll Service (EETS).

Directive 2004/52/EC prescribed the setting up of a European Electronic Toll Service (EETS<sup>1</sup>) enabling road users to subscribe to a single contract and to use a single on-board unit (OBU<sup>2</sup>) to pay electronic tolls across the EU. The directive mentioned in particular that new electronic toll equipment brought into service after 1 January 2007 requiring the installation of on-board equipment should use one or more of the following technologies: satellite positioning ([GNSS](#))<sup>3</sup> – the recommended solution, mobile communication (GSM-GPRS), or microwave technology (DSRC).

[Decision 2009/750/EC](#) defined the EETS and set out technical specifications and requirements as well as contractual rules relating to EETS provision. It outlined the various actors involved (Member States, toll chargers, clients and EETS providers)<sup>4</sup> and their rights and obligations.

Despite the setting-up of this framework, the market is still highly fragmented. There are still around 140 electronic toll collection [systems](#) across the EU and Norway, and interoperability between toll domains is unsatisfactory. Only a small number of electronic toll collection (ETC) schemes provide cross-border interoperability, such as those for heavy duty vehicles in Austria, Denmark, Sweden and Norway. In Croatia, the Czech Republic, Germany, Greece, Hungary, Ireland, Italy, Poland, Slovakia, Slovenia and the United Kingdom, only, or almost only, national on-board units ([OBUs](#)) can be used to pay tolls, implying that there is no cross-border interoperability. Furthermore, since 2009, not many EETS providers have been registered and where they exist, they only cover a small number

of adjacent Member States. According to the impact assessment, the most 'advanced' EETS provider at the present time covers just five countries (Spain, Portugal, France, Belgium and Austria).

According to the body that represents [EETS providers](#), the partial implementation of EETS legislation is due to the fact that providing the service in all Member States is too costly and too complex. As a result, the market for toll collection services remains characterised by a high degree of fragmentation and a low degree of competition, with negative implications for road users and toll chargers, in terms not only of costs but also of other administrative and technical aspects. Road hauliers, for instance, are likely to be compelled to purchase or rent multiple on-board units (OBUs) to communicate with different ETC systems and to make contracts with different toll operators. For toll chargers, this situation leads to increased costs for the development, deployment and operation of adapted tolling systems and difficulties recovering unpaid tolls from international road users, resulting in subsequent reduced revenues.

In terms of [costs](#), for users, equipping vehicles with multiple OBUs in order to be able to drive seamlessly, is estimated currently at €334 million per year and is expected to be just below €300 million per year by 2025 if nothing is done at EU level. For the authorities, for one national system using satellite positioning to determine vehicles' positions, the one-off cost of providing OBUs amounts to €120 million and service costs to €14.5 million a year.

The failure of the current legislative framework to deliver its objective, i.e. a specialised European electronic toll service (EETS) with providers offering users OBUs compatible with all electronic toll collection systems in the EU, can be explained by two main [reasons](#).

The first is that EETS providers are confronted with considerable barriers to market entry. These include discriminatory treatment by authorities, long and varying acceptance procedures and local system specificities that do not comply with existing standards. A lack of clarity when it comes to toll chargers' and Member States' obligations under existing legislation can also be an explanatory factor.

The second main reason is that the current legislation imposes excessive requirements on EETS providers. By way of example, the obligation to provide services in all Member States within 24 months of their registration discouraged potential providers for a long time, as they feared deregistration should they fail to provide full coverage in time. Another deterrent was the obligation to serve the light-duty vehicle<sup>5</sup> market with satellite-based OBUs irrespective of the fact that no electronic systems for LDV use this technology, which is still much more expensive than the simple microwave OBUs used by national toll-service providers.

Lastly, under the existing framework, it is difficult to enforce the payment of tolls by vehicle owners registered in another Member State as there is no legal basis at EU level for the exchange of vehicle registration data between Member States. Revenue leakage stemming from this situation amounts to approximately €300 million per year.

## Parliament's starting position

On 11 June 2013, the European Parliament adopted a [resolution](#) on a strategy for an electronic toll service and a vignette system on light private vehicles in Europe, which recognised that the expected development of an interoperable European electronic road toll service between Member States had been a failure and called for drastic action to remedy the situation.

Parliament has also repeatedly supported steps to improve the sustainability of road transport. In its own-initiative [resolution](#) of 9 September 2015 on the implementation of the 2011 White Paper on Transport, it stressed that the rapid deployment and application of intelligent transport systems is necessary to allow the more efficient, sustainable and safe use of vehicles. It highlighted the importance of the effective use of frequencies and interoperability between intelligent transport systems to enable seamless traffic flows across modes and nodes. Parliament called on the Commission to propose a general framework for national road-charging schemes for passenger cars

and light commercial vehicles, which should be non-discriminatory for third-country residents and prioritise distance-based charging. It also called upon the Commission to take 'initiatives to ensure interoperability of electronic road toll systems'. In November 2017, the Committee on Transport and Tourism (TRAN) organised a public [hearing](#) on the mobility package, including on road charging, which enabled Members to exchange views with representatives, for instance, of the road sector, hauliers' associations, NGOs, trade unions, and toll system and infrastructure operators.

## Preparation of the proposal

To [prepare](#) the proposal, the Commission used the [ex-post evaluation](#) of the existing EETS legislation, which is annexed to the proposal, as well as external expertise and information provided by stakeholders. The studies used are notably the support [study](#) for the impact assessment for the revision of EETS legislation, the study on the [Study on state of the art of electronic tolling](#) and the [Expert review of the EETS legislative acts](#).

The EPRS [implementation appraisal](#), 'The Eurovignette and the framework to promote a European electronic toll service (EETS)' briefly summarises the studies and reports that are relevant in the context of this revision. The EPRS [initial appraisal](#) of the European Commission's impact assessment on 'The revision of the European Electronic Road Toll Service' meanwhile provides an analysis of the [impact assessment](#) attached to the proposal.

Information was also gathered through five stakeholder [consultation](#) activities: an open public consultation between 8 July and 2 October 2016 that included a questionnaire for the general public; a call for written contributions to all stakeholders; a restricted consultation of professional stakeholders in relation to the ex-post evaluation from 26 June 2015 until 1 September 2015; another restricted consultation of professional stakeholders from 5 October to 13 November 2016 on the upcoming proposal; and a consultation on the evaluation roadmap and the inception impact assessment.

The Commission also used the EETS [Info Platform](#) (formerly [REETS](#)) as an important [source](#) of information.

## The changes the proposal would bring

The [proposal](#), which is a recast of Directive 2004/52/EC, addresses the shortcomings identified in the existing legislation in order to make it more effective. By making electronic tolls easier to deploy and apply, it would facilitate the wider application of the 'user pays' and 'polluter pays' principles. On top of ensuring the interoperability of the electronic road toll system, the initiative also sets itself the objective of proposing a legal framework for the exchange of vehicle registration data for the purpose of toll enforcement. The initiative thus proposes to substantially amend Directive 2004/52/EC while adding new elements and is presented as a new ([recast](#)) directive. The revised text also reflects the different categories of EETS market players, currently only defined in Decision 2009/750/EC, more precisely.

The main changes include the deletion of a provision in Article 1 to allow Member States to exchange information on those who fail to pay road fees where toll systems do not require the installation of on-board equipment.

Regarding technological solutions (Article 3), the proposal confirms that portable devices used for electronic toll transactions are to be considered as on-board equipment for the purpose of the Directive. The list of technologies that can be used for electronic toll transactions is moved to Annex IV and the Commission can amend the list by delegated act if a technology becomes obsolete or if a new technology, tested in the framework of pilot tests in compliance with Article 20 of Decision 2009/750/EC, should be added to the list. The text also mentions that EETS on-board equipment can link to other devices installed or present in the vehicle, such as satellite navigation systems or

smartphones. It also specifies that communication between on-board equipment and such other devices may use technologies not listed in Annex IV (for example Bluetooth).

Article 3 is further modified in order not to compel EETS providers to supply EETS to all types of vehicles and to allow them to choose to provide a service for heavy- or light-duty vehicles only. Also EETS providers serving light-duty vehicles are authorised to offer their clients on-board equipment suitable for use with 5.8 GHz microwave technology only, until 31 December 2027.

Provisions for the cross-border exchange of information on the failure to pay road fees (i.e. the directive's second objective, are covered by five new articles and two annexes. The procedure proposed is to adapt the provisions of [Directive \(EU\) 2015/413](#) to the tolling context.

## Advisory committees

Consultation of the European Economic and Social Committee (EESC) and of the European Committee of the Regions (CoR) is [mandatory](#).

The European Economic and Social Committee adopted its [opinion](#) on 18 October 2017. It strongly supported the Commission's proposal, stating that it was in favour of a simple, flexible and low-priced system that could quickly be extended to cover a wider range of users and road networks. It also recommended encouraging the development of special information technology applications that would reduce costs for road users and looking into the rules governing the use of the EUCARIS system (the European car and driving licence information system). The latter enables the sharing of car and driving licence registration information and thus helps fight theft and fraud.

In its [opinion](#) adopted on 1 February 2018, the Committee of the Regions supported the planned changes and pointed out that a simple and affordable solution had to be found. It also underlined the need for data protection while adding that this principle should not be used to avoid taking action against offenders.

## National parliaments

The deadline for submitting a reasoned opinion on grounds of [subsidiarity](#) was 7 September 2017. The chambers of several national parliaments considered the proposal and the Dutch House of Representatives, the Senate of the Republic of Italy, the Romanian Senate, the Czech Senate and the French National Assembly adopted [opinions](#) on the proposal. No national parliament submitted a reasoned [opinion](#) on the application of the principles of subsidiarity and proportionality.

## Stakeholders' views<sup>6</sup>

As already mentioned above, there were several [consultations](#) on the proposal. The open public consultation, held between 8 July and 2 October 2016, whose purpose was to test broad policy choices, attracted a relatively low response. The call for written contributions to all stakeholders attracted a total of 22 contributions (nine from tolling/motorway operators; nine from transport undertakings and four from public authorities). The restricted consultation of professional stakeholders on issues relating to the ex-post evaluation included four questionnaires for different EETS stakeholders and attracted 22 responses, which the Commission considered to be representative though the quality was mixed. The second restricted consultation of professional stakeholders from 5 October to 13 November 2016 on the forthcoming proposal, attracted 35 responses, a number of which, according to the Commission, contained in-depth analysis of the problems, with statistics or other data and recommendations for concrete policy solutions. No reactions from stakeholders were received within the context of the consultation on the evaluation roadmap and the inception impact assessment.

## Legislative process

The legislative proposal has been assigned to the European Parliament's Committee on Transport and Tourism, which appointed Massimiliano Salini (EPP, Italy) as rapporteur. The rapporteur's draft report was presented at the committee [meeting](#) on 22 January 2018. The rapporteur underlined the importance of interoperability to avoid unfair competition and unnecessary costs and pointed out that the selection of technologies was essential and therefore should be left to the co-legislators. Discussion on amendments took place on 20 March. Committee members adopted the [report](#) on 24 May 2018. The report [supports](#) the Commission's proposal but introduces amendments in order in particular to facilitate cross-border road transport by limiting the equipment needed on board vehicles and to make enforcement procedures more effective. It also reinforces the data protection provisions and describes the rights and obligations of EETS providers and toll chargers. It moves the content of Annex IV on the list of technologies to the core of the text, and limits the possibility for the Commission to adopt delegated acts to adapt to technical progress. The Civil Liberties, Justice and Home Affairs Committee (LIBE) adopted its opinion on 28 March 2018. A letter from the Legal Affairs Committee (JURI) on the use of the recasting technique is annexed to the [report](#).

At the June 2018 [plenary session](#), Parliament confirmed the Committee's decision to enter into interinstitutional (trilogue) negotiations.

The Transport, Telecommunications and Energy Council adopted its [position](#) (general approach) on 7 June 2018. The Council supports the Commission's proposal, but, notably, reinforces the data protection provisions.

Interinstitutional (trilogue) negotiations, which started in July 2018, resulted in a provisional [agreement](#) on 20 November 2018. The agreement improves information exchange on vehicle data, as national authorities will have access to other Member States' national vehicle registration data to identify the owners of vehicles which fail to pay road fees. It will thus put all road users on an equal footing. The agreement also gives electronic tolling providers easier access to the toll collection market, by removing administrative barriers, notably local technical ones, and allows for the development of a system whereby an individual can use a single on-board toll payment device when driving across the EU. The Council's Permanent Representatives Committee endorsed the provisional agreement on [28 November](#) 2018 and the European Parliament's Committee on Transport and Tourism did so on [3 December](#) 2018. The [agreed text](#) was formally adopted by Parliament on 14 February 2019 and by Council on 4 March 2019. The [final act](#) was signed on 19 March and published in the Official Journal on 29 March 2019. It entered into force on 18 April, and Member States have until 19 October 2021 to apply the new measures in their national laws.

## EP SUPPORTING ANALYSIS

Malmersjö G., [The Eurovignette and the framework to promote a European electronic toll service \(EETS\)](#), Implementation Appraisal, EPRS, European Parliament, March 2017.

Vikolainen V., [Revision of the European Electronic Road Toll Service](#), Initial Appraisal of a European Commission Impact Assessment, EPRS, European Parliament, October 2017.

Pape M., [Towards low-emission EU mobility](#), EPRS, European Parliament, March 2017.

Pillath S., [Road charges for private vehicles in the EU](#), EPRS, European Parliament, May 2016.

Debyser A., [Revision of the Eurovignette Directive](#), EPRS, European Parliament, December 2017.

## OTHER SOURCES

[Interoperability of electronic road toll systems and facilitating cross-border exchange of information on the failure to pay road fees in the Union, Recast](#), Legislative Observatory (OeIL), European Parliament.

## ENDNOTES

- <sup>1</sup> The [impact assessment](#) defines the EETS (European Electronic Toll Service) as the possibility for road users to pay all electronic road tolls in the EU with a single on-board unit (OBU), one contract and one invoice.
- <sup>2</sup> An OBU or on-board unit is a [device](#) installed on board a vehicle that communicates with roadside infrastructure or a back office to provide the data necessary to calculate the toll due.
- <sup>3</sup> The [impact assessment](#) defines the global navigation satellite system (GNSS) as a 'satellite system that is used to pinpoint the geographic location of a user's receiver anywhere in the world'; the general packet radio service (GPRS) as a 'packet oriented mobile data service on the 2G and 3G cellular communication system's global system for mobile communications (GSM). By extension, the term GPRS will be used – unless specified otherwise – to design its successors under 3G, 4G and 5G'; the global system for mobile communications (GSM) as a 'standard developed by the European Telecommunications Standards Institute (ETSI) to describe the protocols for second-generation (2G) digital cellular networks used by mobile phones. By extension, the term GSM will be used – unless specified otherwise – to design its successors (3G, 4G and 5G)'. Dedicated short range communication (DSRC) is defined as 'two-way short- to- medium-range wireless communications capability that permits very high data transmission critical in communications-based active safety applications. DSRC is used in electronic tolling for remote communication between the on-board units (OBU) and the roadside equipment and/or mobile enforcement devices (e.g. readers installed inside enforcement vehicles)'.
- <sup>4</sup> Toll chargers can be [defined](#) as those who impose the electronic toll upon the road users; the clients are the road users and EETS providers, the intermediaries between the clients and the toll chargers.
- <sup>5</sup> [Light-duty vehicles](#) (LDV) are passenger cars, vans and other light motorised vehicles such as motorcycles.
- <sup>6</sup> This section aims to provide a flavour of the debate and is not intended to be an exhaustive account of all different views on the proposal. Additional information can be found in related publications listed under 'EP supporting analysis'.

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