



Plenary sitting

A8-0200/2018

5.6.2018

REPORT

on the 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)0276 – C8-0196/2017 – 2017/0115(CNS))

Committee on Transport and Tourism

Rapporteur: Deirdre Clune

Symbols for procedures

- * Consultation procedure
- *** Consent procedure
- ***I Ordinary legislative procedure (first reading)
- ***II Ordinary legislative procedure (second reading)
- ***III Ordinary legislative procedure (third reading)

(The type of procedure depends on the legal basis proposed by the draft act.)

Amendments to a draft act

Amendments by Parliament set out in two columns

Deletions are indicated in ***bold italics*** in the left-hand column. Replacements are indicated in ***bold italics*** in both columns. New text is indicated in ***bold italics*** in the right-hand column.

The first and second lines of the header of each amendment identify the relevant part of the draft act under consideration. If an amendment pertains to an existing act that the draft act is seeking to amend, the amendment heading includes a third line identifying the existing act and a fourth line identifying the provision in that act that Parliament wishes to amend.

Amendments by Parliament in the form of a consolidated text

New text is highlighted in ***bold italics***. Deletions are indicated using either the **■** symbol or ~~strikeout~~. Replacements are indicated by highlighting the new text in ***bold italics*** and by deleting or striking out the text that has been replaced.

By way of exception, purely technical changes made by the drafting departments in preparing the final text are not highlighted.

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DRAFT EUROPEAN PARLIAMENT LEGISLATIVE RESOLUTION

**on the 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)0276 – C8-0196/2017 – 2017/0115(CNS))**

(Special legislative procedure – consultation)

The European Parliament,

- having regard to the Commission proposal to the Council (COM(2017)0276),
 - having regard to Article 113 of the Treaty on the Functioning of the European Union, pursuant to which the Council consulted Parliament (C8-0196/2017),
 - having regard to Rule 78c of its Rules of Procedure,
 - having regard to the report of the Committee on Transport and Tourism and opinion of the Committee on Economic and Monetary Affairs (A8-0200/2018),
1. Approves the Commission proposal as amended;
 2. Calls on the Commission to alter its proposal accordingly, in accordance with Article 293(2) of the Treaty on the Functioning of the European Union;
 3. Calls on the Council to notify Parliament if it intends to depart from the text approved by Parliament;
 4. Asks the Council to consult Parliament again if it intends to substantially amend the Commission proposal;
 5. Instructs its President to forward its position to the Council, the Commission and the national parliaments.

Amendment 1

Proposal for a directive

Recital 4

Text proposed by the Commission

(4) The application of vehicle taxes represents a cost the industry must so far bear in any event, even if tolls were to be levied by Member States. Therefore, vehicle taxes may act as an obstacle to the introduction of tolls.

Amendment

(4) The application of vehicle taxes represents a cost the industry, **and in particular SME's**, must so far bear in any event, even if tolls were to be levied by Member States. Therefore, vehicle taxes may act as an obstacle to the introduction of tolls.

Amendment 2

Proposal for a directive Recital 5

Text proposed by the Commission

(5) *Therefore, Member States should be afforded more scope to lower vehicle taxes, namely by way of a reduction of the minima set out in Directive 1999/62/EC. In order to minimise the risk of distortions of competition between transport operators established in different Member States, such reduction should be gradual.*

Amendment

(5) *Taking into account the form of road charging related to the distance travelled, and in order to minimise the risk of distortions of competition between transport operators established in different Member States and the possible administrative burden, Member States should be afforded more scope to lower vehicle taxes, namely by way of a reduction of the minima set out in Directive 1999/62/EC.*

Amendment 3

Proposal for a directive Recital 5 a (new)

Text proposed by the Commission

Amendment

(5a) *Member States should be encouraged to dismantle any contradictory tax incentives that discourage low-emission mobility and subsidise inefficient and polluting vehicles, like company diesel cars;*

Amendment 4

Proposal for a directive Recital 5 b (new)

Text proposed by the Commission

Amendment

(5b) *In order to afford Member States greater discretion to reduce their rate of vehicle taxation in order to support the introduction of distance-based tolls and to avoid any potential administrative*

burdens, the minimum rates of taxation should be reduced in one step from 1 January 2024, giving the Member States the greatest flexibility in deciding on the rate and speed of reduction.

Amendment 5

Proposal for a directive

Article 1 – paragraph 1 – point 2 a (new)

Directive 1999/62/EC

Article 6 – paragraph 4 a (new)

Text proposed by the Commission

Amendment

(2a) In Article 6, the following paragraph is added:

'4a. The gradual reduction of the vehicle tax on heavy goods vehicles applied by a Member State shall be fully compensated by additional revenues generated by its toll system. By 1 January 2024, all Member States shall have implemented the toll system in accordance with this Directive.'

Amendment 6

Proposal for a directive

Annex I – paragraph 1 – point a

Directive 1999/62/EC

Annex I – title

Text proposed by the Commission

Amendment

Table A: MINIMUM RATES of TAX TO BE APPLIED TO HEAVY GOODS VEHICLES UNTIL **31 DECEMBER** [...]” *[insert year of entry into force of this Directive];*

Table A: MINIMUM RATES of TAX TO BE APPLIED TO HEAVY GOODS VEHICLES UNTIL **31 DECEMBER 2023**

Justification

To provide Member States with greater flexibility, it is proposed to reduce the minimum rates of taxation in one-step as of 1 January 2024 instead of the gradual reduction of five steps as proposed by the Commission.

Amendment 7

Proposal for a directive

Annex I – paragraph 1 – point b

Directive 1999/62/EC

Annex I – table B

Text proposed by the Commission

Amendment

“Table B: MINIMUM RATES OF TAX TO BE APPLIED TO HEAVY GOODS VEHICLES FROM 1 JANUARY [...] insert the year following the year of entry into force of this directive] deleted

Justification

To provide Member States with greater flexibility, it is proposed to reduce the minimum rates of taxation in one-step as of 1 January 2024 instead of the gradual reduction of five steps as proposed by the Commission.

Amendment 8

Proposal for a directive

Annex I – paragraph 1 – point b

Directive 1999/62/EC

Annex I – table C

Text proposed by the Commission

Amendment

Table C: MINIMUM RATES OF TAX TO BE APPLIED TO HEAVY GOODS VEHICLES FROM 1 JANUARY [...] [insert the second year following the entry into force of this directive] deleted

Justification

To provide Member States with greater flexibility, it is proposed to reduce the minimum rates of taxation in one-step as of 1 January 2024 instead of the gradual reduction of five steps as proposed by the Commission.

Amendment 9

Proposal for a directive

Annex I – paragraph 1 – point b

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Directive 1999/62/EC
Annex I – table D

Text proposed by the Commission

Amendment

**Table D: MINIMUM RATES OF TAX
TO BE APPLIED TO HEAVY GOODS
VEHICLES FROM 1 JANUARY [...]
[insert the third year following the entry
into force of this directive]** *deleted*

Justification

To provide Member States with greater flexibility, it is proposed to reduce the minimum rates of taxation in one-step as of 1 January 2024 instead of the gradual reduction of five steps as proposed by the Commission.

Amendment 10

**Proposal for a directive
Annex I – paragraph 1 – point b
Directive 1999/62/EC
Annex I – table E**

Text proposed by the Commission

Amendment

**Table E: MINIMUM RATES OF TAX
TO BE APPLIED TO HEAVY GOODS
VEHICLES FROM 1 JANUARY [...]
[insert the fourth year following the entry
into force of this directive]** *deleted*

Justification

To provide Member States with greater flexibility, it is proposed to reduce the minimum rates of taxation in one-step as of 1 January 2024 instead of the gradual reduction of five steps as proposed by the Commission.

Amendment 11

**Proposal for a directive
Annex I – paragraph 1 – point b
Directive 1999/62/EC
Annex I – table F – Title**

Text proposed by the Commission

Amendment

Table F: MINIMUM RATES OF TAX TO BE APPLIED TO HEAVY GOODS VEHICLES FROM *1 JANUARY [...]*
[insert the fifth year following the entry into force of this directive]

Table F: MINIMUM RATES OF TAX TO BE APPLIED TO HEAVY GOODS VEHICLES FROM *1 JANUARY 2024*

Justification

To provide Member States with the greater flexibility, it is proposed to reduce minimum rates of taxation in one step as of 1 January 2024 instead of the gradual reduction in 5 steps as proposed by the Commission.

EXPLANATORY STATEMENT

The Commission Proposal

While recognising the importance of road transport to the internal market, the Commission proposal aims to address some of the challenges posed by road transport, namely socio-economic and environmental issues such as air pollution, noise and congestion. The Commission believes that the introduction of distance-based road charging can help incentivise cleaner more efficient transport operations while also offering a fair deal for road users and in financing the required infrastructure. The Eurovignette Directive (1999/62/EC) already contains a detailed legal framework for charging heavy goods vehicles (HGV's), the Directive sets minimum rates of vehicle tax for HGV's in addition to providing detailed rules for infrastructure charging.

The Commission believes that vehicle taxes do not reflect any particular use of the associated infrastructure and as a result they are not an effective tool for incentivising cleaner transport operations or for reducing congestion. On the other hand, the Commission views tolls that are directly linked to actual road use as being more likely to achieve these objectives.

The proposal considers that vehicle taxes can represent a cost to industry regardless of whether or not a member state decides to use a toll or not. As a result of this, the Commission proposal recommends that member states should be given more scope to reduce their rates of vehicle taxation for HGVs below the minima that was originally established by Directive 1999/62/EC.

The Rapporteurs Position

The rapporteur broadly welcomes and supports the Commission's proposal as being an improvement to Directive 1999/62/EC and agrees with its objective.

The rapporteur agrees that distance-based road pricing can play a key role in incentivising cleaner transport operations in a fair and equitable manner however believes that when it comes to the introduction of such a measure, the proposal should take into account specific national circumstances and extend flexibility to its adoption and implementation to the member state in question.

This is also true for the reduction of vehicle taxation. The rapporteur agrees and believes that where distance based road charging is being introduced, it is essential to also reduce the rate of vehicle taxation on HGV's taking into due consideration the potential for burdensome added costs on the transport industry and in particular SME's. In this regard, the rapporteur fully favours reducing the rate of taxation to 0 over a five year period; however, the rapporteur finds it important to simplify this proposed flexibility so that it doesn't represent an administrative burden for a member state.

26.4.2018

OPINION OF THE COMMITTEE ON ECONOMIC AND MONETARY AFFAIRS

for the Committee on Transport and Tourism

on the 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)0276 – C8-0196/2017 – 2017/0115(CNS))

Rapporteur: Markus Ferber

SHORT JUSTIFICATION

I – Context of the proposal

On 31 May 2017, the Commission announced *Europe on the Move*, a long-term strategy to modernise European transport networks. The strategy proposes a series of initiatives to help the transition towards clean energy, fairer road pricing, reduced congestion and to embrace new developments in digitalisation. An efficient and reliable transport system is essential for the smooth functioning of the internal market and is a key sector for the economy.

The proposed Council Directive aims to provide Member States with the scope to reduce the minimum rates of heavy vehicle goods (HGVs) taxation with the objective of phasing out annual vehicle taxes.

By nature, annual vehicle taxes are payments linked to the fact that the vehicle is registered on behalf of the taxpayer during a given period of time and, as such do not reflect any particular use of infrastructure.

The proposed Directive therefore provides for the gradual replacement of heavy vehicle goods taxation by tolls and user charges. This proposal is indeed presented together with another proposal that promotes the application of tolls, i.e. a form of road charging that is related to the distance travelled. The elimination of annual vehicle taxes should facilitate the transition to distance-based road charging, which will be more effective at incentivising reductions in congestion and emissions.

Gradual reduction of vehicle taxation will be done by amending the minimum rates set out in Directive 1999/62/EC in five steps taken over five consecutive years. The gradual reduction of minimum rates aims to minimise the risk of distortions of competition between transport operators based in different Member States.

According to the Commission's impact assessment, the possibility to reduce vehicle tax could decrease the burden on hauliers by €2 billion per year, whilst the uptake of distance-based

road charging could see additional toll revenues of €10 billion per year.

II – Rapporteur’s positions

The Rapporteur supports the objectives of the proposed Council Directive to phase out annual vehicle charges and facilitate the transition towards distance-based road charging which would support aims to reduce congestion and air pollution. The proposed changes will ensure that road charging schemes are more in line with the polluter and user-pays principles. The rapporteur welcomes that the Commission proposes to avoid double taxation by replacing taxation by a distance charging system towards 2024.

However, the Rapporteur expresses concern with the phasing out of minimum rates over a five year period. Under the current proposals, the minimum rates will be phased out by 20% of their existing level over five steps annually until the minimum rates reaches zero. As a result, any Member State that chooses to phase out the minimum rates as quickly as the proposed Council Directive allows will have to instate new rates every year for a five year period, which will involve significant administrative costs for national authorities and increase the burden on the transport sector.

Because of this, the Rapporteur proposes to amend the proposed Council Directive to provide greater flexibility in phasing out the minimum rates, which would allow Member States to instate greater reductions in the minimum rates over fewer steps.

Given that the proposed Directive falls exclusively under the competence (taxation) of the Economic and Monetary Affairs Committee (ECON), the Rapporteur calls on the Committee on Transport and Tourism to take the ECON amendments on board, without modifying them.

AMENDMENTS

The Committee on Economic and Monetary Affairs calls on the Committee on Transport and Tourism, as the committee responsible, to take into account the following amendments:

Amendment 1

Proposal for a directive

Recital 5

Text proposed by the Commission

(5) Therefore, Member States should be afforded more scope to lower vehicle taxes, namely by way of a reduction of the minima set out in Directive 1999/62/EC. ***In order to minimise the risk of distortions of competition between transport operators established in different Member States, such reduction should be gradual.***

Amendment

(5) Therefore, Member States should be afforded more scope to lower vehicle taxes, namely by way of a reduction of the minima set out in Directive 1999/62/EC. ***However, the transition from vehicle taxes to tolls in each Member State should not result in a loss of revenue. The gradual reduction of the vehicle tax applied by a Member State should be fully compensated by additional revenues***

generated by its toll system. By 1 January 2024, all Member States should have implemented the toll system in accordance with this Directive.

Amendment 2

Proposal for a directive

Article 1 – paragraph 1 – point 2 a (new)

Directive 1999/62/EC

Article 6 – paragraph 4 a (new)

Text proposed by the Commission

Amendment

(2 a) In Article 6, the following paragraph is added:

'4 a. The gradual reduction of the vehicle tax applied by a Member State shall be fully compensated by additional revenues generated by its toll system. By 1 January 2024, all Member States shall have implemented the toll system in accordance with this Directive.'

Amendment 3

Proposal for a directive

Annex – paragraph 1 – point a

Directive 1999/62/EC

Annex I – Table A – title

Text proposed by the Commission

Amendment

TABLE A: MINIMUM RATES of TAX TO BE APPLIED TO HEAVY GOODS VEHICLES UNTIL 31 DECEMBER [...]”
[insert year of entry into force of this Directive]

TABLE A: MINIMUM RATES of TAX TO BE APPLIED TO HEAVY GOODS VEHICLES UNTIL 31 DECEMBER 2018

Amendment 4

Proposal for a directive

Annex – paragraph 1 – point b

Directive 1999/62/EC

Annex I – Table B

Text proposed by the Commission

Amendment

[...]

deleted

Amendment 5

Proposal for a directive

Annex – paragraph 1 – point b

Directive 1999/62/EC

Annex I – Table C

Text proposed by the Commission

Amendment

[...]

deleted

Amendment 6

Proposal for a directive

Annex – paragraph 1 – point b

Directive 1999/62/EC

Annex I – Table D

Text proposed by the Commission

Amendment

[...]

deleted

Amendment 7

Proposal for a directive

Annex – paragraph 1 – point b

Directive 1999/62/EC

Annex I – Table E

Text proposed by the Commission

Amendment

[...]

deleted

Amendment 8

Proposal for a directive

Annex – paragraph 1 – point b

Directive 1999/62/EC

Annex I – Table F – title

Text proposed by the Commission

Table F: MINIMUM RATES OF TAX TO
BE APPLIED TO HEAVY GOODS
VEHICLES FROM 1 JANUARY [...] *[insert the fifth year following the entry
into force of this directive]*

Amendment

Table F: MINIMUM RATES OF TAX TO
BE APPLIED TO HEAVY GOODS
VEHICLES FROM 1 JANUARY **2024**

PROCEDURE – COMMITTEE ASKED FOR OPINION

Title	Charging of heavy goods vehicles for the use of certain infrastructures, as regards certain provisions on vehicle taxation	
References	COM(2017)0276 – C8-0196/2017 – 2017/0115(CNS)	
Committee responsible Date announced in plenary	TRAN 3.7.2017	
Opinion by Date announced in plenary	ECON 16.11.2017	
Rapporteur Date appointed	Markus Ferber 5.10.2017	
Discussed in committee	27.2.2018	24.4.2018
Date adopted	24.4.2018	
Result of final vote	+: 36	–: 15
	0: 3	
Members present for the final vote	Burkhard Balz, Hugues Bayet, Pervenche Berès, Thierry Cornillet, Markus Ferber, Sven Giegold, Neena Gill, Roberto Gualtieri, Brian Hayes, Gunnar Hökmark, Danuta Maria Hübner, Cătălin Sorin Ivan, Petr Ježek, Barbara Kappel, Wolf Klinz, Georgios Kyrtos, Philippe Lamberts, Werner Langen, Bernd Lucke, Olle Ludvigsson, Ivana Maletić, Gabriel Mato, Costas Mavrides, Alex Mayer, Bernard Monot, Caroline Nagtegaal, Luděk Niedermayer, Stanisław Ożóg, Dimitrios Papadimoulis, Sirpa Pietikäinen, Dariusz Rosati, Pirkko Ruohonen-Lerner, Alfred Sant, Martin Schirdewan, Molly Scott Cato, Pedro Silva Pereira, Peter Simon, Theodor Dumitru Stolojan, Paul Tang, Ramon Tremosa i Balcells, Marco Valli, Tom Vandenkendelaere, Miguel Viegas, Jakob von Weizsäcker, Marco Zanni	
Substitutes present for the final vote	Mady Delvaux, Manuel dos Santos, Ashley Fox, Krišjānis Kariņš, Paloma López Bermejo, Thomas Mann, Eva Maydell, Michel Reimon, Romana Tomc	

FINAL VOTE BY ROLL CALL IN COMMITTEE ASKED FOR OPINION

36	+
ALDE	Caroline Nagtegaal
ENF	Barbara Kappel, Bernard Monot
PPE	Burkhard Balz, Markus Ferber, Brian Hayes, Gunnar Hökmark, Danuta Maria Hübner, Krišjānis Kariņš, Georgios Kyrtos, Werner Langen, Ivana Maletić, Thomas Mann, Gabriel Mato, Eva Maydell, Luděk Niedermayer, Sirpa Pietikäinen, Dariusz Rosati, Theodor Dumitru Stolojan, Romana Tomc, Tom Vandenkendelaere
S&D	Hugues Bayet, Pervenche Berès, Mady Delvaux, Neena Gill, Roberto Gualtieri, Cătălin Sorin Ivan, Olle Ludvigsson, Costas Mavrides, Alex Mayer, Alfred Sant, Manuel dos Santos, Pedro Silva Pereira, Peter Simon, Paul Tang, Jakob von Weizsäcker

15	-
ALDE	Thierry Cornillet, Petr Ježek, Ramon Tremosa i Balcells
ECR	Ashley Fox, Bernd Lucke, Stanisław Ożóg
EFDD	Marco Valli
GUE/NGL	Paloma López Bermejo, Dimitrios Papadimoulis, Martin Schirdewan, Miguel Viegas
VERTS/ALE	Sven Giegold, Philippe Lamberts, Michel Reimon, Molly Scott Cato

3	0
ALDE	Wolf Klinz
ECR	Pirkko Ruohonen-Lerner
ENF	Marco Zanni

Key to symbols:

+ : in favour

- : against

0 : abstention

PROCEDURE – COMMITTEE RESPONSIBLE

Title	Charging of heavy goods vehicles for the use of certain infrastructures, as regards certain provisions on vehicle taxation		
References	COM(2017)0276 – C8-0196/2017 – 2017/0115(CNS)		
Date of consulting Parliament	23.6.2017		
Committee responsible Date announced in plenary	TRAN 3.7.2017		
Committees asked for opinions Date announced in plenary	ECON 16.11.2017	ENVI 3.7.2017	
Not delivering opinions Date of decision	ENVI 21.6.2017		
Rapporteurs Date appointed	Deirdre Clune 30.6.2017		
Discussed in committee	22.1.2018	20.3.2018	14.5.2018
Date adopted	24.5.2018		
Result of final vote	+: –: 0:	32 4 2	
Members present for the final vote	Lucy Anderson, Inés Ayala Sender, Georges Bach, Deirdre Clune, Michael Cramer, Luis de Grandes Pascual, Andor Deli, Karima Delli, Isabella De Monte, Ismail Ertug, Jacqueline Foster, Dieter-Lebrecht Koch, Merja Kyllönen, Miltiadis Kyrkos, Bogusław Liberadzki, Tomasz Piotr Poręba, Gabriele Preuß, Christine Revault d'Allonnes Bonnefoy, Dominique Riquet, Massimiliano Salini, David-Maria Sassoli, Claudia Schmidt, Claudia Țapardel, Keith Taylor, Pavel Telička, Wim van de Camp, Marie-Pierre Vieu, Janusz Zemke, Elżbieta Katarzyna Łukacijewska		
Substitutes present for the final vote	Michael Gahler, Ramona Nicole Mănescu, Marek Plura, Jozo Radoš, Matthijs van Miltenburg		
Substitutes under Rule 200(2) present for the final vote	Eleonora Evi, Jude Kirton-Darling, Anneleen Van Bossuyt, Marco Zullo		
Date tabled	5.6.2018		

FINAL VOTE BY ROLL CALL IN COMMITTEE RESPONSIBLE

32	+
ALDE	Jozo Radoš, Dominique Riquet, Pavel Telička, Matthijs van Miltenburg
EFDD	Eleonora Evi, Marco Zullo
GUE/NGL	Merja Kyllönen,
PPE	Georges Bach, Deirdre Clune, Andor Deli, Michael Gahler, Dieter-Lebrecht Koch, Elzbieta Katarzyna Łukacijewska, Ramona Nicole Mănescu, Marek Plura, Massimiliano Salini, Claudia Schmidt, Luis de Grandes Pascual, Wim van de Camp
S&D	Lucy Anderson, Inés Ayala Sender, Isabella De Monte, Ismail Ertug, Jude Kirton-Darling, Miltiadis Kyrkos, Bogusław Liberadzki, Gabriele Preuß, Christine Revault d'Allonnes Bonnefoy, David-Maria Sassoli, Claudia Țapardel, Janusz Zemke
VERTS/ALE	Karima Delli

4	-
ECR	Jacqueline Foster
GUE/NGL	Marie-Pierre Vieu
VERTS/ALE	Michael Cramer, Keith Taylor

2	0
ECR	Tomasz Piotr Poręba, Anneleen Van Bossuyt

Key to symbols:

- + : in favour
- : against
- 0 : abstention