The German HGV Tolling System:

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



Transport Days Molde 2005
Financing and Political Decision Making

22-23 November, Molde University College

Molde, Norway

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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

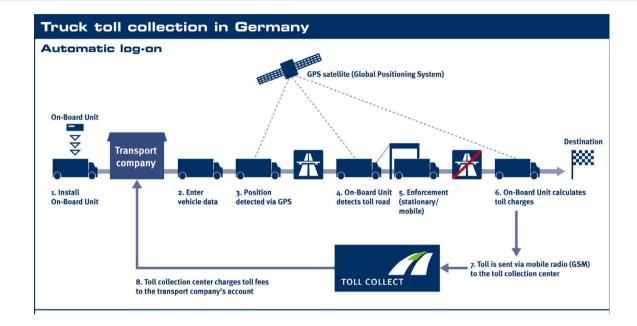
standard length used to calculate actual tolls



Toll Collect - System Overview

Option 1: Automatic detection





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







Stationary Toll Terminals (ex. Border DE/PL)

Information on the location of stationary toll terminals are provided through internet:

Maps

Address information



Nr.	Firma	Straße	PLZ	Ort	24h
1	Containerstandort-Zollamt Swiecko/Frankfurt - 0 A12	TTOC Swiecko II	69105	Swiecko	1
2	Total Station	Markendorfer Str. 14	15234	Frankfurt / Oder	1
3	Gerlach Zolldienste GmbH	Zollterminal Swiecko 2	15202	Frankfurt / Oder	1
4	Shell-Station Quaas Handels- und Autoservice GmbH	Berliner Chaussee 99	15234	Frankfurt / Oder	-
5	Aral Autocenter	Frankfurter Straße	15299	Müllrose	1
6	BAT Biegener Hellen SÜD / Shell	Biegener Hellen Süd	15236	Jacobsdorf OT Pillgram	1
7	EXPRESSTRANS	Frankfurter Str. 64	15518	Briesen	-
8	Esso Tankstelle	An der B112	15890	Eisenhüttenstadt	1
9	Containerstandort Biegener Hellen Nord	Biegener Hellen Nord / A 12	15236	Jacobsdorf	1

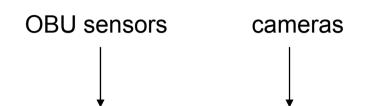


Toll Collect – 3-way Control System

- 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)





all pic.: toll collect







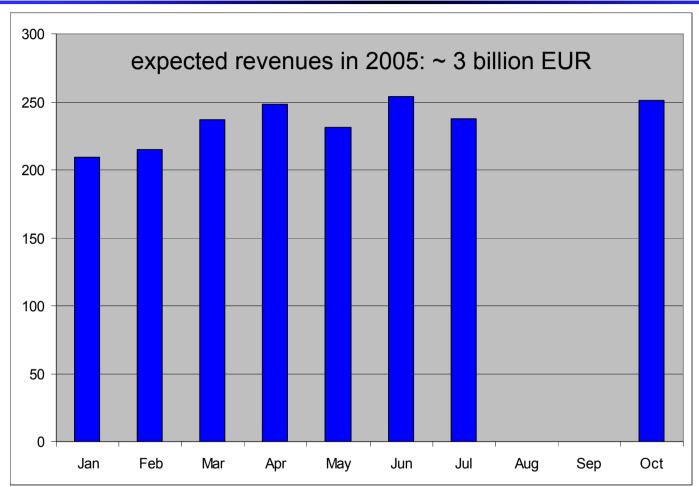


Part 2.

First Results concerning
Traffic and Spatial Impacts



Revenues until Oct 2005

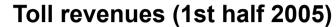


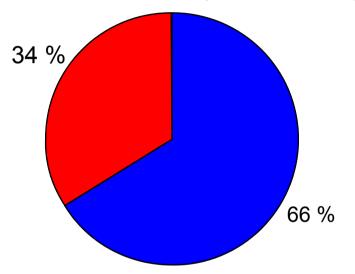
Ruidisch et al., 2005; BMVBW. 2005

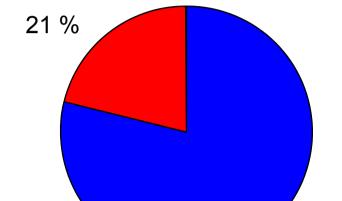
Revenues earmarked for targeted transport infrastructure projects, mainly devoted for the further development of the *trunk road network*, but partly also for *railway* and *inland waterway projects*.



Toll Earnings: Domestic/International







Trips (1st half 2005)

- German forwarders
- Foreign forwarders



79 %



Expected Impact Fields

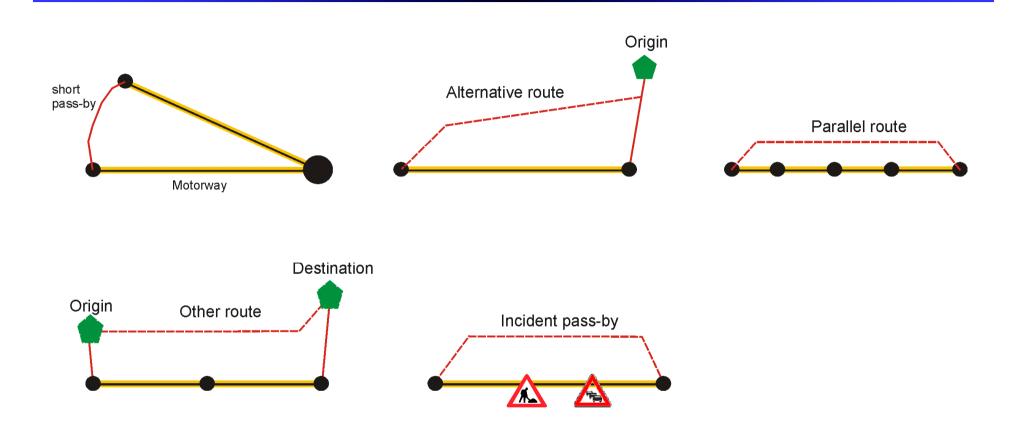
- Route choice (7%)
- Movements with empty trailers (deadheads)
- Truck weight reduction (< 12 t) (6%) and other technical measures (8%)</p>
- Passing on of tolls to orderes
- Modal split
- Re-location of households, firms (spatial impacts)
- Environmental impacts

(8%) = first survey among German forwarders

no practical experiences so fa

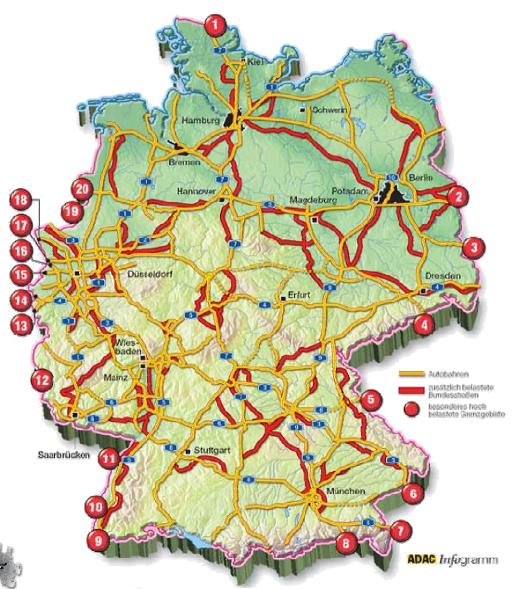


Route choice (Theoretical Considerations)





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



Technical Experiences

- (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



Further Information

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