

IMPACTS Europe 9th Conference AMSTERDAM, 17 & 18 March 2005

Proceedings

Thursday 17 March 2005

Laurence DOUVIN welcomed the Mayor, the elected people and all the participants in the former stock exchange of Amsterdam. She thanked the Mayor on behalf of all Impacts members.

She underlined that the chosen theme had already been tackled in London at the very moment when Mr Livingstone was about to implement the congestion charging scheme. It used to be a thorny issue ; very few cities had implemented it but since, mentalities have changed.

She reminded that the Dutch transport Minister asked the Vice-Mayor Mark van Der Horst to be a member of a study platform regarding the different ways of financing mobility.

She thanked all the Amsterdam organising team for their excellent cooperation with Impacts Europe Secretary General and wished to all a pleasant and enriching conference.

Frans Solleveld explained that in Amsterdam, further to a strict parking policy, congestion has shifted from the older part of the city to the outskirts, which demands a new approach. He stresses the political support needed to implement pricing policy. Amsterdam also needs to collaborate with other cities like within IMPACTS in order to exchange strategies. This conference is an ideal opportunity for that.

He described exhaustively the contents of the conference as well as the social events organised by the City of Amsterdam. He thanked the organising team and introduced Germa Bakker, Senior Policy Advisor who is a specialist in the subject.

SESSION 1: FOCUS ON AMSTERDAM & OUTCOMES OF ROAD PRICING POLICIES

Jordi Hereu, City Councillor for Security and Mobility, Barcelona introduced and chaired the session.

He reminded that there are several means to restrict the access to city centres whether through using physical or pricing barriers. Cities can combine both options. Anyway, there is a consensus on the common objective shared by cities in Europe which is to curb congestion within city centres. By acting now, tomorrow collapses can be prevented because congestion means costs (environmental, lives, money...) and the loss of urban life quality.

Prevention action is the only solution. Barcelona has two strategies : the improvement of public transport and its parking policy. Next May, the city will introduce the integral regulation of parking in the two central rings of the city. These aspects will be developed on Friday 19 May by Mr. Angel Lopez Rodriguez.

FOCUS ON AMSTERDAM

Amsterdam's heritage, development, challenges

Ing. San Verschuuren, division manager, urban and regional strategy, urban planning department presented the urban development of Amsterdam until today, the regional conditions for the future and the major transformation projects.

He explained that Amsterdam was founded in the 13th century on the banks of the river Amstel, connected with the world by water. The famous 17th expansion was structured along canals. The huge investments resulted in the growth of the city. To guide this urban growth, the famous Amsterdam urban plan was drafted 70 years ago (1935).

This plan is more or less completed but there is still a strong need for new urban development areas so in the latest plan from 2003, the approach has changed from expansion to transformation. Indeed, there is no more space available around the city and the expansion is limited by the sea and the lakes. The objective is to add within the city boundaries 50 000 dwellings in the next 25 years.

The infrastructure is a key aspect of this development. **Ing. San Verschuuren** listed all the future investment projects in Amsterdam in the next years which illustrate urban transformation.

The major projects are the new North-South metro line now on construction and the waterfront project on former harbour sites. The Central station on the South Bank will become the main junction for all public transports in the city.

Also, new artificial islands will offer space to build 18 000 new dwellings.

Another major project is the construction of a new urban centre called Zuidas.

Traffic and Transport policy in Amsterdam region

Mark Van der Horst, Deputy Mayor for transport welcomed the audience and explained that leading the way into road pricing is not an easy task because you do not know where it will lead you to. He explained that the National Committee will bring a report in front of the Minister and then, within the Government and Parliament, there will be discussions about how to implement road pricing. The delay for implementation remains unsure : it could be implemented in 2008 or 2050 !

He stressed the fact that in Amsterdam there are about 5 city centres and living and working are not in balance. Besides, the road capacity is at its limits.

So what to do ?

The first option is to do nothing. The increasing congestion will mean that people themselves will look for alternatives. This may well work but is not particularly attractive, neither socially (unacceptably long journey times) nor economically (businesses leaving the area), therefore it is certainly not politically attractive.

Then, a second option consists in developing a better balance in home/work (commuter) traffic by bringing home closer to work and by taking work closer to home.

A third choice would be to build additional infrastructure. It is essential and effective but requires time, money and space, none of which Amsterdam actually has

He concluded that there is no perfect and friendly instrument. So the solution consists in combining the three aspects :

- Urban planning policy and traffic and transport policy are also closely interwoven in concentrating building around public transport interchanges (Overamstel and the Zuidas) This form of development policy is complemented by parking policy

- Infrastructure policy and economic development. It means no building of dwellings before there is an infrastructure and a better use of the road network (secondary roads should be more used).

- The third element of this strategy is the selective extension and strengthening of the car and public transport networks by placing parallel structures

Another element in the strategy is the introduction of some form of road-pricing on the access corridors.

The big question remains: how do you introduce road-pricing whilst:

- there is, and has been in the past, a lack of courage at national level to introduce such a scheme

- the Minister is looking expressly at regional initiatives after the failure to implement a national scheme, several times (rekeningrijden, mobi-miles, milage-charging, congestion-charging)

- there are so many differing parties, all of which have their own agenda and support. Examples of these include the Chamber of Commerce (representing the business sector in Amsterdam), the ANWB (Dutch Motorists' Organisation) which carried out an active campaign on behalf of its members against rekeningrijden. The Minister has set up a platform "Another way to pay for mobility", which is to advise her on the implementation of some form of road-pricing. Alongside the above mentioned bodies, Mark Van der Horst is part of this platform

All of which has meant that we in the city and region of Amsterdam have limited ourselves to parking policy. National legislation is not being coordinated with, for example, regional road-pricing initiatives. Imposing toll charges is only possible on new roads.

René Meijer, Deputy Director for Infrastructure, Traffic & Transportation

At first he presented the trends in traffic and transport in the Amsterdam region showing the commuter flows for instance between Almere and Amsterdam and between Amsterdam and the t Schiphol airport

The region of Amsterdam offers a variety of facilities and commercial developments in various urban centres. Due to economic growth, there is a greater use of cars.

Traffic and transport patterns in Amsterdam are similar to those in other Western agglomerations: journey distance by Public transport has grown by 40 %, journey distance for Car traffic has grown by 30 % and the journey distance by bicycle is stable. It takes a lot of effort to keep it stable.

The Amsterdam ring road (A10) has 2 functions: it is the main artery for Amsterdam and an important interchange in the national network.

The main road network is used intensively; there is no parallel alternative road network.

Successful tools have been implemented in the city :

Parking charging in the city, new urban developments close to existing infrastructure, especially public transport interchanges, new car infrastructure in the surrounding areas with low density housing, new public transport infrastructure in the urban area, less parking places available in commercial areas with effective public transport and pricing measures.

4 different forms of pricing have been assessed:

- a higher parking tariff
- a toll charge on the A10 (similar to the English congestion charging)
- flat rate mileage charge

The effects of these 4 various types of pricing measures have been calculated. It showed that the limit of paid parking have been reached and an increase would only have a slight positive effect in the old city. The effects are approximately the same regarding toll charges (congestion charging) on the A10, which explains why the London system cannot be applied in Amsterdam.

On the contrary, a flat rate mileage charge shows the greatest effect on all arterial roads (A4, A2, A1 and A9).

A flat rate has a positive effect, but recent studies show there is still a lot of traffic congestion on the corridors to and from Amsterdam, urban access problems are not solved, the conditions for business location are not good enough.

Amsterdam plea (to the national government) is a road pricing system with a congestion regulation function as in a differentiated price system.

The strategy is the following: start with a (simple) charging system on congested roads during rush hour then spend the revenues on roads and alternatives.

The way to convince the stake-holders is to make sure it works and to show them visible re-investment in the regional infrastructure, both road and public transport. Communication should focus on clear goals with a strong commitment to use the funds generated in the region.

1/3 of the people felt there is a problem on accessibility. 2/3 are in favour of these changes.

Then, he concluded with some recommendations for an effective road pricing policy:

- Urban areas should decide which measures to introduce and how they introduce road-pricing.
- National government should offer legal and technological frameworks
- Revenue generated should be re-invested in the infrastructure in the area (The lesson from London, re-investing the revenue in public transport)
- How can we co-operate as cities in taking the first steps by convincing national governments and European government of the sense of urgency and the potential factors for success
- re-investing the revenue generated in the region in the road and public transport infrastructure
- Interoperable system

Questions/Answers

Laurence Douvin would like to know what are the taxes people have to pay when buying a car.

Mark Van Der Horst explained that the extra VAT depends on the type of car. On top of that, there is a fixed amount to be paid each 4 months depending on the weight of the vehicle and of course the tax on fuel.

Answering Michele Dix, he explained it is quite different to resort to road pricing for environmental reasons or for mobility reasons. The main goal is mobility because of the urgency of the situation, which does not mean that the other goals are left aside.

Tom Howes asked when are the next elections taking place:

on a local level, it is next year (2006), on a national level, the year after (2007).

OUTCOMES OF THE EXPERIENCE: OSLO AND LONDON

The pioneer: Oslo, Norway

Ivar Sorlie, Director of Transport, City of Oslo explained that Oslo traffic management is made difficult by its location, it is squeezed between the fjord and the mountains. Congestion has cost Oslo a lot of money and was a great environmental problem.

To save the capital, the 1st thing was to build a new main road. But public grants for transportation in Oslo region had for some time been relatively low. So, local politicians had given up hope for more grants from the State, and had begun to discuss alternative ways to finance a new main road through the city centre: petrol tax, a local toll system for the Oslo tunnel, increased parking charges, area based road tax.

To obtain political acceptance for the toll ring was very difficult, because motorists in Norway pay very high taxes on petrol much more than the state spends on maintaining and building roads. The parliament asked for a plan which was the task of the State road Administration. The latter proposed a scheme based on a traditional road system to finance a plan for the main road system in the whole region. One condition was that the State should increase the grant significantly.

It is impossible for the national parliament to decide the implementation of a toll system in Oslo or elsewhere but it can accept a plan from the local political authorities. So that local authorities agree with such an idea, it was necessary that the state should increase the grants. That meant that some money had to be allocated to public transport.

The Oslo Toll ring was launched in 1990. At the same time the new main road and tunnel were opened, which contributed to public acceptance. You pay only when you enter the city and the control stations have sufficient capacity. The high tech and modern toll system also contributed to acceptance.

The system consists in 19 toll "plazas" placed at a distance of 3 to 8 kms from the city centre. It is impossible to drive through these plazas without paying. A single pass costs 1.5 euros, double for heavy vehicles. About 245 000 vehicles pass the ring each day. He explained that it greatly helped decrease traffic in the city centre by 20% and the pollution as well.

In spite of very positive elements, the Toll ring has been very unpopular since the 1st day.

Politicians told citizens that it would be removed by 2007 but it will be maintained a further 5 years to finance the building of a new tunnel. Most sophisticated charging system with fully automated plazas are being studied.

Michele Dix, Director of Congestion Charging, Transport for London presented the London congestion charging scheme. When looking back at measures taken in the past like more bus & cycle lanes, more pedestrian facilities, she remarked that they had only worsened congestion.

The Congestion Charging Scheme concerns the Centre of London (6km/4km); 1 million people go through this area each day. This is not a cordon scheme, it is a charge you have to pay to be in the area; it amounts to 5£/day, from Monday until Friday from 7am till 6.30 pm.

In terms of paying, people contact Transport for London (TfL) by phone, web or go to shops, provide their registration number and operate payment. When going into the zone, cameras which are discreetly located read the vehicle number. If the charge has been paid, the image is deleted. If not, it is checked until midnight and then a penalty charge notice is sent to the owner of the vehicle.

Enforcement is a key issue. At the beginning of the scheme people thought they would be able to get away with it but they were shocked when they found out that they could have the bailiffs sent in. So now they pay!

There are certain categories of people who do not have to pay (list of exemptions in the powerpoint slides). There are 100% discount for alternative fuel vehicles and 90% discount for residents in the area.

The most popular ways to pay are retail outlets where you get a receipt and text messaging with mobile phone. Contrary to what was expected in the beginning, the call centre is not very popular.

The Scheme top priority was to reduce congestion, which is actually reached (30% decrease in the congestion). Besides, it also raises a lot of money (130 million euros each year) which is reinvested into public transport.

It also enabled to decrease the number of accidents in the central zone and to diminish the pollutants. Thanks to the scheme, an important increase in bus usage could be observed together with a better quality of bus services (speed, reliability...).

In fact, the same amount of people travel to the area. It is just the number of vehicles that has diminished.

Business seemed to be affected by the implementation of the congestion charge. In fact, at the same time, terrorist threats together with the breakdown of the central line contributed to decrease the level of activities. But, in 2004, the business level picked up to reach the 2002 level. So, it cannot be said that it is the congestion charging scheme that affected the business in Central London.

Regarding public support, public opinion shifted from equivocal to decisively in favour of the scheme because they got aware of the effectiveness of it.

In the future, the Scheme will be improved: there are technological trials taking place (with satellite systems, environment friendly devices, Tag and beacon plus cameras...) and the scheme is planned to be extended to the Western area by February 2007.

Questions/Answers

Stefania Di Serio asked how the payment was recovered by TfL in case of Text messaging.

Michele Dix answered that before paying by text messaging, people have to register by TfL and give their bank account details which is debited at each text messaging.

Daniel Augello asked for some figures about the share of population, jobs, travels in the central zone compared to the Greater London area.

Michelle Dix answered that there were about 1 800 000 people living in central London compared with 7,5 million people in London. In terms of work, the majority of the working population is concentrated in the Central London. There is a million of people working in the central area. By solving some of the congestion problems, it generated social economic reduced time savings, half of those occur outside the zone.

Ms. Asa Romson from *Stockholm* remarked that what Michele Dix said about the impacts on business is different from what London Chamber of Commerce says.

Michele Dix said that the C.B.I. (Confederation of British Industry) published such a survey but also a second one in October talking about the businesses that have benefited from the Scheme which are mostly big businesses. It is true that small businesses near the boundaries have gone out of business. In fact, if you look at the turnover of businesses in Central London, over the period 2003/2004 and compare it with 2002/2001 there is no difference, businesses always go out of business! It is the same case with property prices.

There is apparently a perception according to which congestion charge is to blame but things have to be put back in context. At the beginning of April, the 3rd annual monitoring report will be published on Congestion Charging Scheme with a special section about businesses.

Claude Dargent, from *Paris* explained that the debates concern two aspects: raise money and improve mobility. He thinks that both have to be clearly distinguished because there is a risk that the search for financing controls the mobility policies and not the opposite.

The case of Oslo is interesting but it seems not logical for him to put a toll on a ring road because the ring road is conceived for vehicles to avoid the city centre. Besides, setting up a new toll to finance a road tunnel seems to reinforce the idea that the financing element is the priority.

Regarding London, he would like to know who are the people entering the central zone in terms of social definition. Are they the same who used to enter the centre before the scheme or are they more privileged people?

Ivar Sorlie explained that some commitment in money direction have to be made. In Oslo, they have come up to a consensus system which is not an economic optimal system but which is the second best solution.

Michele Dix pointed out that in London, the system was guided by simplicity. The aim was not only to reduce congestion but also to improve public transport through raising money from the congestion scheme.

There has been no change in the profile of the people entering the zone. In fact, people who have invested in a car find it still better to drive in and pay the 5 pounds. Low-income groups are mainly the winners because it is they who use public transport in priority.

Jan Riedel from *Austria* asked what is the price of parking in the streets of London.

Michele Dix answered that you can park for free in London if you have a work parking space (60% of the parking space in London). Otherwise you pay 3 to 5 £ an hour (30 £ a day).

Olivia Hasahya from *Stockholm* asked whether they had a plan B apart from congestion charging.

Michele Dix answered that it was not their only policy for reducing congestion. They had followed the policies that other cities are currently following i.e. to continue to attract people to public transport and improve them, build more cycle lanes, encourage people to walk... What they are not doing is building new roads because it gets instantly filled up (such as M 25). London has demonstrated that charging has been more effective in attracting people into public transport than any other thing else.

Julio Garcia Ramo, from Barcelona, asked whether the 60% decrease in cars entering the central zone concerns peak hours. He also enquired about what happened in the peripheric zone. Last, he asked her why a 5 £ charging? Has it got to do with marginal costs or with the income they want to get from this scheme?

Michele Dix explained that they introduced a flat charge per day because in Central London the level of congestion is high all day long. There is no peculiar peak period.

Outside the zone, there is an inner ring road, a few lanes wide. Before the charge, they knew that the charge would cut the traffic in the inner ring road. If the radial traffic would reduce, it meant that the green time on the traffic signals for that radial traffic could be taken away and given to the traffic going around the inner ring road. So there is more traffic on the inner ring road but there is no increase in congestion.

Similarly, outside beyond the inner ring road, some of the boroughs were concerned that traffic would not stay on the inner ring road and would be displaced in their residential areas. So, they introduced traffic management measures.

Why 5 pounds? It was based on the modelling works looking at the impacts of different charges. 5 pounds is equivalent to the old days' travel card in public transport and appeared to be an acceptable price.

Robert Stussi from Lisboa, asked how much the operation of the system cost. He asked for the revenue generated by the 40% of paid parking. Great Britain now talks about introducing tax for working parking place. What about it?

Michele Dix said that the 90 millions pounds generated by the congestion charge scheme was a net amount after operating costs. In gross revenue, it generated 180 millions pounds. One of the reasons now for looking at new technologies is to reduce the costs.

TfL is not responsible for managing the parking, it is the boroughs that are in charge. One of the new power available to TfL was to introduce a working parking levy, to charge either the employers or employee an amount per year to use their parking space. As far as businesses, they opposed that. And besides, this is difficult to enforce.

Frédry Wittwer, from Geneva, wanted to know if Oslo and London are convinced that this is the best solution for the future. Because he always defended the contrary and the idea that if there is traffic, it is because there are parking spaces. In Geneva, they have built thousands parking spaces which generated traffic so now they plan to decrease these parking spaces and replacing them by green areas, bus and cycle lanes. Moreover, "Business Mobility Plans" (Plans Mobilité Entreprise) have been implemented with civil services, companies to define who really need the parking spaces.

So one of the proposal in Geneva is to have people pay a tax according to their engine capacity. So is road pricing really a solution for the future?

Ivar Sorlie answered that Oslo has a restricted parking policy in the city centre. There are parking houses around which made him say that the parking policy in Oslo reduces more

congestion than the toll ring system. Because the latter is quite cheap. The intention was to have a toll ring system to build further road projects but perhaps it will be definitive.

Michele Dix observed that obviously the congestion charging is not the perfect system. To the question: "is it the right solution for other areas?" the answer is "no" because for some areas a more modest parking policy can be the best solution. In other parts of London, solutions are looked into such as full parking, road charging. The problem is that still many areas have a parking policy charging people. If you remove parking space, people just park somewhere else on the pavement... If you are charged for the use of the road you can still make a decision, but if there are no parking space, this is imposed on you. So congestion charge is the lesser of two evils.

Jean-Paul Wouters asked for some details about relocation.

Michele Dix answered that there has been so far no impact on relocating though people when asked, intended to relocate. People still want to be in the centre and they can benefit from the improved public transport.

<p>SESSION 2: OPEN SPACE CONFERENCE</p>
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Mr. Hank Kune, Director of Educor, Consultancy for Transport described the open space method enabling people to join freely, in an informal way, 7 groups discussing different issues and moderated by theme leaders.

At the end of the discussion, each group needs to provide two conclusions on the studied theme and two questions which need answers in the future. Then, participants will be able to look at the conclusions and the plenary session will take place;

The different theme leaders introduced their theme by asking questions they consider essential for the debate:

1/ Political issues

Asa Romson comes from the City Council of Stockholm and represents the Green party and has participated in the negotiation on congestion charging in Stockholm. She believes that political issues are both at the start and at the end of the process. She explained that the discussion will tackle essential issues on: how to address acceptance? Why is it so easy to talk about and so difficult to implement? What should the city do? How do they relate to surrounding municipalities, Government, Parliament? Finally, how is it possible to collaborate with all citizens?

2/ Social acceptance, publicity, communication

Michele Dix laid the stress on the following questions: how should the public be involved? What questions should the public be asked? The answers are very much related to the questions you ask. It is also a question of deciding when to involve the public. At which stage of the process? How to achieve public opinion in favor of road pricing? Also what instruments are available to do that? Is it necessary to achieve public opinion in favor of road pricing?

3/ Financial and economic issues

René Meijer insisted on the fact that it is important to have the support from the business sector. Would road pricing stimulate the regional economy? Who should determine where the extra revenue from road charging is to be allocated (the commercial sector or the elected people?) How do you convince motorists that the extra revenue from road-pricing will be used on the infrastructure? Should the extra revenue be used only on the roads, or also on public transport? Indeed, motorists support the system when they see that the money is invested in motorways.

4/ Legal and institutional issues

Mr. Gunnar Soderholm from Stockholm declared that in Stockholm everything starts and ends in the court...

Is it a tax or a charge? This makes an important difference: in Sweden it is a tax, which makes things at a national level.

Does the local authority have the right to decide about the charge? In Sweden, the local government is not allowed either to ask it as a tax or to define the way it is to be implemented.

Is it a contract or an obligation? Is it civil law or administrative law?

What role does the national government have?

What impact does the system with congestion charges have on national court system?

How do we ensure legal flexibility?

5/ Service implementation and enforcement

Keith Gardner & Mick Hickford precised that service implementation and enforcement is really at the heart of any road pricing proposal. They presented 4 issues to be developed during the discussion:

- the value of experimentation before implementation (small scale trials testing the technologies, how to use modern technologies while keeping the process as simple as possible?)

- Should the authority provide the service itself or should it resort to the private sector that have the capability of bringing various elements together fairly quickly?

- How easy should payment be? What are the best possible means so that the authority gets the maximum coverage?

- What approach to enforcement? People need to know that it will be seriously enforced. What should be the best relationship between the charge to be coming to an area and the penalty?

6/ Technical choices: architectures, technologies, maintenance

Julio Garcia Ramon is the Mobility Project director of Barcelona. The questions he tackled are the following:

- what kind of technology is to be chosen?

- Concerning the architecture issues, control points location has to be discussed.

- Regarding data transmission, fiber optics can be used or microwave or a combination of both. The system will be integrated with other subsystems.

- The data base organization is also an essential point to be discussed.

- What technology to be used? (image processing or On Board Unit, number of cameras,...).

- Data and Privacy is also to be debated.

7/ Impacts measures and assessment

Friedemann Kunst underlined the importance of having a broad view of all the impacts. The type of road pricing influences the type of measures.

- So which type of road pricing do we have?
- Do we already have common empirical observations?
- Is it already possible to come out with recommendations?

The Open Space took place and here are the conclusions and the questions for some of the groups.

1/ Political issues

There are different categories of motivations in different countries : Economic motivation in the Netherlands, Environment in Sweden, Health in France.

Is road pricing the solution for long term strategy ?
Isn't the main question about urban sprawl ?

3/ Financial and economic issues

Use the benefits, put them into accessibility, roads, Public transport, traffic management depending on the specific situations.

Is road pricing good for the regional economy ?
How can we make sure that there are benefits ? Can we explain this ?

5/ Service implementation and enforcement

How can the view of city local politicians be in line with national politicians ?
If services are outsourced how can the public sector ensure quality in the delivery ? What level of quality is appropriate ?

7/ Impacts measures and assessment

Road pricing is only an instrument not a goal itself.
There is a gold triangle : financing, reduction of congestion and improvement of the environment.

Ms. Laurence Douvin wanted to underline that what came back very often in the discussions is the difficulties of relationships between local authorities and national authorities.

Mr. Hank Kune concluded the session.

Mr. Frans Solleveld explained the programme of the evening.

Friday 18 March 2005

**SESSION 3:
URBAN ACCESS AND ROAD PRICING EUROPEAN PANORAMA**

Mr. Mick Hickford, Head of Special Projects, Surface Transport, Transport for London, chaired the session.

The European Union “Fair payment for infrastructure use”

Mr. Tom Howes, European Commission, Directorate General for Energy and Transport, Land Transport Policy Unit reviewed the contents of the European framework in terms of policy and legislation and what implication this has on developing urban systems.

He stressed the fact that there is a solid theoretical policy foundation for road pricing (list of the text in the presentation slides) existing in the matter.

The basic principle is that the Commission, under the Treaty, is under the obligation to develop common transport policy insuring there are fewer and fewer barriers to the movement of goods between the Member States.

Out of that grew the current Directive on Road Pricing from 1999 (Directive 1999/62 called the Eurovignette directive) which provides a flexible framework. It only covers inter urban freight transport but provides a good model that can be developed at other levels.

At European level, according to the current framework, charges and tolls are optional on motorways and not allowed elsewhere. . It sets up the notion that tolls should have a reasonable cost basis.

This European framework does not apply to specific urban road charging scheme, being not appropriate at a local level.

A revision of the Directive, which is not satisfactory for the Commission, is being proposed, to expand the scope of the directive to more types of vehicles, to provide more details on the level of charging, to allow mark-ups, to introduce the idea of costs other than infrastructure costs to be included in the charge basis.

At the same time, the Commission is reviewing the framework for the whole transport sector (railway - directive 2001/14, Road – directive 1999/62+ revisions, Airports and ports – directives due this year).

The issues addressed currently by the Council of Ministers (4th attempt in April) concern:

- the question of the allocation of revenues because MS do not want to be told by the Commission what they should do with the revenues
- Toll mark-ups in sensitive areas; it reflects the difference between peripheral MS and other ones suffering more from congestion problems.
- the issue of external costs which the Commission and the Parliament wants to introduce.

The Interoperable Road Pricing Directive 2004/52 was enforced in June 2004 for developing Electronic Fee Collection (EFC) system.

Tom Howes explained that this should be like having a mobile phone, which means one contract, one onboard unit per vehicle. It should function whatever country you are in and have the same quality of service in any country, (non discrimination).

Regarding the technologies used, the Commission and MS are very much in favour of satellites systems because they are more flexible and will be a cheaper option in the future.

He underlined the fact that in terms of freight traffic and motorway, there is a clear trend towards developing a tolling system moving away from taxation or annual vignette. It already exists in Germany, Switzerland, Austria, is developed in the UK and new MS are looking at it seriously.

The Commission works in close collaboration with the industry. Together with motorway tolling companies and other stakeholders, a road platform has been created to discuss all these issues. Everyone can join it (asecap@skynet.be) even representative of the urban question. Setting up the system should be developed by June/July 2006.

These are the pathways as seen at European levels for inter urban transport. This extension of the tolling system on several national road networks is clearly a progress and can resolve some of the problems regarding legislation at national level and technical issues.

It started at the freight level because it is much easier than addressing directly private cars. People need to be convinced that this scheme is fair.

Through its road pricing policy framework, which is flexible, the Commission is very supportive.

Dutch vision & perspectives

Mr Friso de Zeeuw, Chairman, Advisory Council for Transport, Public Works and Water Management, the Netherlands, explained that the Advisory Council advises the Dutch Minister for Transport. It is an independent body of experts drawn from the business community, public administration, community organisations and the scientific community.

Mobility policies have a very broad agenda which requires huge investments. There is also a need for better use of the existing infrastructure. It is important to give the business community and other stakeholders a greater responsibility for beating congestion.

Then, he showed the concepts presented 2,5 years ago by the Advisory Council :

- € Introduce market elements into mobility
- € Pricing mechanism produces best outcomes for society as regards congestion, safety and environment
- € Direct relationship between usage and cost to society
- € Higher prices at busy times and places
- € Clean vehicles pay less than dirty ones
- € Revenues go to national and regional mobility funds to help solve congestion problems. This should be a guaranteed part, which is a heavy political issue insofar as taxes go to the Minister of Finance.

The Randstad cities have a polycentric structure with no nuclear centres, which makes them very different from Paris and London for instance. Besides, there is quite a complicated governmental structure. So, this metropolitan structure does not enable a cordon charging. A mileage charge seems more appropriate. Also, it is more suited to mobility market principles.

There is a growing public support for paying for usage rather than ownership. Because it is felt that car is the milk cow for taxes.

There are two reasons for a national approach: the urban structure and the need to be in relation with the national fiscal system.

Besides, the Advisory Council thinks that technologies are now more or less available (On Board Units) with a lesser price that it used to be. In a few years (4), it should be possible to introduce these systems.

A shift from ownership charging to mileage charging would be very positive on transport performances and time loss.

Then, he gave a summary of the main points:

- Clear objectives are needed
- Choice of a national system
- Public support important
- Paying differently, not more
- Technology available
- No pricing policy without a sense of urgency

Rome access control: 5 years' experience

Stefania Di Serio, Responsible for the General Manager's Staff for European Affairs, ATAC SpA, thanked IMPACTS President on behalf of Mario Di Carlo, Roma former Deputy Mayor who is now a candidate to Roma elections. The new Mobility Councillor, Mauro Calamante confirmed his interest in IMPACTS network.

Stefania Di Serio insisted on the modal split, which is "terrible" in Roma: 60% private vehicle and on the increasing number of motorcycles in the central area.

Moreover, Rome municipality is 1350 km², Rome historical centre is 4 km², and 17% of commuters during the rush hours crowd in the historical centre.

The increase of private mobility in metropolitan areas, in these last years, caused a quick and wide decreasing in the quality of life in the whole city. Traffic congestion is an everyday problem, time for urban trips is increasing, stress and diseases are increasing as well but urban pollution is one of the highest cost that community must pay and the main challenge that Municipality board is called to face.

There is a concentric centre where the main functions are concentrated but there are few parking space in the city centre, limited metro extension and intensive use of mopeds and motorcycles.

The Zone Access Control

10 years ago the municipality set up a mobility policy which aimed at reducing congestion and shift the modal split.

The Zone Access Control is only a part of the very big agenda.

The Masterplan has split the territorial into five concentric rings, considering the urban fabric as well as the density of services and facilities, and supposing a different modal split between public and private transport.

In each ring there is a limitation. In the centre of the city which is 5 km², the zone access control is not really road pricing because the basic idea is different: the aim is to preserve the

historical heritage of the centre. The centre is therefore closed to all the vehicles that do not have the permission for entering. Besides, only catalized vehicles can drive on the Rail Ring. On the Highway Ring, the limitation concerns coaches. They have to contact the municipality if they want to enter the Ring and then they get a blue sticker that enables them to be visible.

The Zone Access Control (ZAC) covers a 5.7 km² area with 42 000 residents and 75 000 people working. The ZAC is enforced on working days from 6.30 am till 6 pm and Saturdays from 2pm till 6 pm. There is no control during holidays except for some Christmas periods.

The technological system consists in cameras, On Board Units (OBU) and database. But the municipality needs months to obtain the permission to install devices on the streets because of the historical and archeological context.

In Roma only 150 000 vehicles can enter the city centre, not one more.

Of course, people try to avoid the cameras as they can.

The results:

Further to the implementation of the ZAC, the traffic has decreased by 20%, the number of Public Transport passengers has increased by 5% in this area.

Besides, there has not been any major modification in the congestion shift.

The black point is that the benefits of the decrease in the pollution have been lost because of the 10% increase in the number of motorbikes entering the zone.

Moreover, people wait until 6pm to enter the centre. In order to deal with these new emerging issues, the Municipality has created new pedestrian areas where PTW are banned and has introduced a blue ticket system for emission control. The idea is also to give permits to motorbikes but the problem is that their plates are too small to be photographed, so reliable technology is under development. Also a system of road pricing linked to parking has been studied for the periods after 6pm.

New ZAC have been introduced in touristic zones which were not concerned by the former ZAC.

In 2005, Roma has used the support of the European Commission to develop new technologies. A lot of projects are being developed to allow studies of pricing policy systems under an umbrella (MIRACLES project).

As a conclusion, a successful urban plan should integrate a framework, communicate on the reasons for implementation and integrate these measures to a more global mobility policy.

Stockholm's congestion charging trial

Mr Gunnar Soderholm, Head of the Secretariat for Congestion charges, City of Stockholm, observed that Stockholm Municipal Council adopted the Congestion Charging system on a trial basis on 2 June 2003. Then, the Swedish Parliament adopted the Law of congestion taxes on 16 June 2004 and IBM was awarded the procurement contract for the system on 9 July.

At the moment the Court has stopped the procurement process and it is not known when exactly the trial will start.

The inner city would be the Congestion Charging area; it is 25 km². Compared to London, the area is a much bigger part of the greater Stockholm. There are 270 000 inhabitants in the zone who live in 150 000 apartments.

Then, he showed figures about the car traffic on a week day: on the Outer ring there are 875 000 passages a day, in the Congestion Charge area about 550 000.

The aims of the Congestion Charge are to reduce congestion, increase accessibility and improve the environment.

The secondary objectives are to reduce traffic volume by 10-15 % on the most heavily used routes during morning and afternoon hours and to improve accessibility for buses and cars in the inner city.

The charge during the peak hours (7:30 – 8:30 ; 16:00 – 17:30) amount to 2.2 euros. In order to avoid queues of people waiting before the peak hours, near peak hours and medium volume hours charges have been set. In the evenings, during week-ends and holidays there is no charge.

In London, you pay because you are inside the area, whether you move or not. In Stockholm, it is the passage that is charged. This charge is a tax collected by the national fiscal Authority. For each vehicle, there is one decision every day. When the charging time is over, the administration decides what the vehicle 's owner has to pay. They count the number of passages performed and see if the maximum level of charge is reached (6.6 euros/day).

The car owner is responsible for the payment of the tax. No request is made to him. If there is no payment within 5 days, there is an extra fee of 7.5 euros. And if there is still no payment 4 weeks after, there is an additional charge of 55 euros. Then only, a request to pay is sent to the owner of the car. There are some possibilities of remission (if the car has been stolen,...).

The generated revenues go back to the Region of Stockholm for public transport and infrastructure connected with the trial. It is the Swedish Parliament that decides where it should be allocated.

There are exemptions for different vehicle categories (emergency vehicles, vehicles for disabled,...).

All vehicles will be registered by cameras, two times in the front and two times in the back.

The Congestion Charging Trial is also a mean to improve public transport with new express lines and extension of bus services. This should encourage people to shift from their private vehicle to public transport.

This trial would entail an increase in traffic on the ring roads, which are already saturated. The experts are currently discussing different solutions to avoid these traffic jams.

The Swedish Road Administration (SRA) is responsible for the tax collection and the information on how to pay tax. The City has responsibility for general information, evaluation and park & Ride facilities. SL is the public transport company owned by the City Council.

Perhaps, this trial will start on 1st January 2006 or perhaps earlier. It depends on the decision of the Court.

In Spring 2006, all the evaluation reports will be published. The Trial is by Law ending on 31 July 2006. In September 2006, there will be elections and a referendum to know if this congestion charging scheme will continue or not.

An opinion survey has been carried out and shows that people are aware that congestion is the most important issue and that they think the trial a solution to help decrease traffic and congestion. Furthermore, they expressed their intention to use their car less with the congestion charge. Now the Supreme Court judgement is awaited.

As a conclusion, he indicated the web address to be consulted for further information :

<http://www.stockholmsforsoket.se>

Questions/Answers

Peter Van Rheenen from European Shippers' Council asked Tom Howes why start to charge freight vehicles as an example. Indeed, they are not mainly responsible for congestion.

Tom Howes answered that from a political perspective, Member States are already applying these charges to freight transport so it was just to point out that if it can be applied for freight vehicles then it could be applied to private ones.

Stefania Di Serio added that it is true that freight vehicles only account for 6% of the congestion in Roma but they are responsible for more than 30% of the pollution !

Michele Dix asked Gunnar Söderholm what incentive is there to pay and what level of compliance the city of Stockholm has forecast.

Gunnar Söderholm answered that they consider it a severe enough punishment to pay extra 60 Swedish Crowns and the means of payment are various (Credit Card, ...). Perhaps, the city will have to revise this point of view.

Peter Sonnabend asked Friso De Zeeuw how it is possible to have business community better involved in fighting congestion in so far as the only mandate to fight congestion is with public authority.

Friso De Zeeuw explained that there is a taskforce reflecting on congestion issues. And that the support of the business community is essential. Besides, for instance, large businesses pay for workers to have a leased car which is quite perverse : if you drive more kilometers, you pay less. So there is no incentive to use the car in an economic way. It means the business community should change their approach of mobility.

Barcelona parking charging scheme in the city centre

Mr. Angel Lopez Rodriguez, Director of Transport Services, City of Barcelona, described the Barcelona parking charging scheme in the city centre.

Approximately 36.5% of the trips in Barcelona are made by car but they concern only 55% of the residents. There is already a toll on the main access roads located at 20 km from the city centre but it is not a regulation toll. So it is quite unpopular with citizens to speak about further road pricing systems.

Congestion levels have steadily increased since 2001 and each time there is less and less difference between peak hours and off-peak hours. If nothing is done, 50% of the roads would be saturated.

On one side, the Municipality aims at boosting the business activities – which means more mobility and on the other hand at improving the quality of life which means more road safety, more pedestrian space and less nuisances. So the solution lies in a better modal share with more public transport and less private vehicles.

The Infrastructure Plan (2001-2010) deals with public transport but this is not enough. Private mobility should be shifted towards public transport and mobility should be better controlled in the city centre.

Parking Policy :

That's why Barcelona chose to put the stress on its parking policy in the city centre to regulate the access to its city centre.

It establishes new parking regulations aiming at diminishing the number of illegal parking through reducing professional travels, favouring the use of public and private garages and increasing the number of enforcement officers.

40% of Barcelona streets are concerned by this new parking policy. It corresponds to the denser parking area with a high level of illegal parking. These measures will be accompanied by an increase in the amount of parking charge per hour (30 to 60%).

This system will give residents a larger parking offer. But the parking zone allocated to the resident will be limited to approximately 1 km.

The parking charge for non-residents amount to 2 till 2.25 euros for 2 hours whereas the parking charge for residents is 1 euro for one week.

A total of 55 300 parking spaces are targeted by these regulation measures, 72% of which are residential parking. There are 18 000 parking spaces for Powered Two Wheelers.

The municipality hopes with these measures to decrease parking operations by 15% and to diminish the private traffic in the city centre while maintaining the business activity.

Regarding financial benefits, external costs of this decreased traffic have been assessed showing a positive balance of 2 000 000 000 euros per year.

Road charging scheme for heavy duty vehicles in Berlin

Friedemann Kunst, Head, Transport Policy & Planning Unit, Senate Department of Urban Development, explained that in Germany since the beginning of 2005, they had a national scheme applying to Heavy Duty Vehicles (HDV) on federal highways. He reminded that there were 70 km of Federal Highways in Berlin city area.

As the pollution issue is getting more important in Berlin, the municipality engaged discussions regarding the extension of a road pricing scheme. With the help of the Civitas European programme, a study has been carried out on the possible impacts of environmentally driven road pricing scheme on all the main roads in Berlin.

He reminded to the audience that due to several factors, Berlin is experiencing a steady growth in goods traffic: 12 000 HDV per day concentrate all over the city and produce high emission levels in particular diesel engines.

Several solutions were looked into:

a 3 level HDV route network had been designed to concentrate HDV traffic on primary roads in order to avoid having them in residential areas. But such a scheme could lead to have HDV traffic concentrated on the main roads and even federal highways.

The idea of introducing a federal highway toll (12.4 cts/km) is also debated. After extensive modelling, there is no evidence so far that there would be a shift from the federal highways to the streets of Berlin.

So the first conclusion is that a federal city toll would support emission oriented policy but still a lot of emissions are above the tolerable levels.

Additional measures are therefore under investigation such as

- the introduction of a low emission zone in the city area which would have positive environmental impacts but would also be an incentive to modernize HDV-fleet faster.
- The extension of HDV – toll to all federal roads within city has also been looked at but federal law only allows this measure if it is proven that there are strong shifts to urban streets.
- The extension of HDV – toll to all city roads is another proposal but it is only a theoretical option because the federal legislation does not exist yet. What would the system consist in? An inner city pricing system or a main street network tolling system? Scenari for total main street network have been developed and calculated through a model based on all HDV traffic over 3.5t and with the implementation of distance-time-emission depending charges.

The results are traffic and congestion reduction in quite a small way compared to the vehicle/km reduction which is greater. There are positive welfare effects mostly due to air pollution reduction.

But the money gained is not sufficient to cover the costs to implement the system.

As a conclusion, federal HDV-toll in Berlin is more likely to support the task of reducing HDV-related emissions but remaining emission levels are still much above tolerable levels. Extended road pricing for goods vehicles could be an optional measure to further reduce emissions and other alternative measures will be implemented and tested before.

Which political alternatives to urban road pricing?

Denis Baupin, Deputy Mayor for Transport and Mobility, City of Paris, axed his presentation on the reasons why road pricing is not adapted to the objectives of Paris municipality regarding its mobility policy.

For Paris, traffic reduction is mainly a question of public health, related to noise and air nuisance. A second objective of the mobility policy is to guarantee accessibility for everyone, a third one is to retrieve a better quality of the living space together with maintaining business activities.

He reminded that Paris is only a small part of the Ile de France region with its 105 km² and its 2 million inhabitants. So contrary to Berlin or London, the area is quite small.

There is also a complex distribution of the competences regarding mobility decisions between Paris, the Region and the State. For instance public transport has so far been under the authority of the State, which should evolve with decentralization.

In the same way, the State is in charge of most of Paris road network. The enforcement and verbalization are also dealt with by the state. The amounts of the fines are set by national authorities and not by the Municipality. . He pointed out that parking charge per hour amounted to 3 euros/hour in the City centre whereas the fine for not paying reaches only 11 euros, which is not very prohibitive!

He remarked that urban road pricing is illegal in France. Besides, parking on the work place cannot be charged for the moment.

For three years and a half, Paris has chosen to emphasize the existing measures (infrastructure, regulation, urban planning) and use the existing tools rather than implementing new ones.

Road pricing is irrelevant for Paris for several reasons: the municipality considers that it would not make things better for the categories it intends to favour (freight, handicapped, residents,...).

Besides, it is not coherent with its priority to maintain large families and under privileged population within the city centre.

Another reason is that today, the main issues in terms of traffic concerns suburb-to-suburb travels, which are greatly increasing. Setting up an urban road pricing system in order to finance Public Transport would not make much sense in so far as the needs concern essentially outskirts areas.

And according to the last polls, public opinion would be more favourable to pollution taxes than to road pricing.

So what is Paris' strategy to reduce car traffic?

- developing public transport offer (subway, buses,...)
- encouraging the use of bicycles
- reorganising public spaces ("civilized spaces")
- setting up combined corridors for taxis, buses and cycles
- reducing the parking space and increasing resident parking space while diminishing the parking charge for residents and increasing the amount of parking charge/hour.

As a result of this policy, the public transport usage increased by 6%, the traffic reduction amounts to 11%. The number of accidents has dropped by 26%.

Paris mobility plan is being drawn up and will provide mobility guidelines for the ten years to come. Until recently, the city could not elaborate such a plan:

The "Mobilien" programme (buses) will continue and trams will be reintroduced.

As for parking policy, the municipality hopes to obtain a decentralization of competences which would enable to fix for instance the level of fines.

It appears that 50% of the vehicles driving in the very centre of Paris are only crossing the zone to reach another destination. Therefore, this unnecessary traffic should be taken away.

Along the river Seine, there is a highway transformed into pedestrian zone during Summer, this should be extended to the whole year through.

There are also access regulation measures implemented like low emission zones. This should be developed and extended to more vehicles (4*4, coaches,...).

As a conclusion, all these measures explain why urban road pricing is not a top priority on the municipality's agenda. However, a road pricing system at the level of the city on the most

rapid roads might be envisaged perhaps by targeting the HDV like in Germany but not for the moment.

Questions/Answers

Jean-Paul Wouters thanked Angel Lopez Rodriguez and Denis Baupin for presenting alternative solutions to road pricing. The Brussels municipality is reflecting on similar measures which are more appropriate for a smaller city. He wanted to know how they protect residents and whether they make a difference between neighbourhood resident and city resident?

Angel Lopez Rodriguez explained that in Barcelona the idea is indeed to protect the resident in his neighbourhood enabling to leave his car night & day if he wants and punishing illegal parking.

Denis Baupin answered that they had no authority at present to punish illegal parking or the non-payment of parking charges. Anyway, these are two different behaviours that should not be sanctioned the same way.

Residential parking is privileged in Paris with a very low charge. Besides, the municipality is currently reflecting on the charges applied in public parking spaces, considering the implementation of a lesser amount for vehicles that are not used a lot.

But he underlined that a balance should be kept between residents – who are voters- and the other users of the road network to avoid the Nimby syndrome.

SESSION 4: IMPACTS INTERCONTINENTAL CONFERENCE IN SEATTLE

Laurence Douvin explained that several American cities were candidates to host IMPACTS intercontinental conference. Further to the consultation of the Executive Management Board, Seattle was chosen because it is a dynamic city, with new infrastructures and with a similar pattern as European cities'. Grace Cunningham is Seattle Commissioner for transportation. The chosen theme is "sustainable mobility". A steering committee has been formed to organise this conference.

Professor Ilan Juran, Secretary General IMPACTS North America explained that on behalf of NACTO cities, he shared with the participants the invitation to Seattle conference taking place next 29th June till 1st July on the theme "Sustainable Mobility Assessment & Renewal Technology for Capital Improvement of Transportation Infrastructure (SMARTCITI)".

He showed Grace Cunningham's message to all IMPACTS members telling that the meeting shall aim to bring together some of the issues that are of common interest for Cities (both European and American) so that a common agenda can be designed together with IMPACTS America Latina.

The city of Seattle would like to focus on the following questions: how can cities develop a sustainable mobility strategy? What are the instrument measures to be put in place to assess the progresses?

He presented the city of Seattle as a city promoting sustainable mobility as a strategy to support a vision for growth, mitigate construction and address congestion.

He reminded that NACTO cities had difficulties to attract funding from the Federal Government. The idea to get together and to work as a group with the Federal Government is new. That is why the American cities look forward to hear IMPACTS Europe cities in order to learn from their experiences.

He presented a draft program of the Seattle conference and the invitation sent to the American Secretary of Transportation. They would like to extend this invitation to the European Union.

Sustainability is a culture which is very different in Europe and in the US. That's why the 1st session of the conference would focus on the definition of the term "sustainability". Then the second session would provide illustrations of sustainability issues while building large infrastructure projects in particular in Seattle. "The needs to establish performance measures "would be tackled in the next session. Then, technologies, best practices would be addressed giving the floor to European cities.

Then he listed questions that could be considered during the conference (slides)

He invited the participants to become member of the steering committee in charge of preparing the conference so that it meets the needs of the different cities.

Fredy Wittwer explained to the audience that in Geneva, they have decided to create a Mobility International Formation Centre (Institut International de Formation en Mobilité) and asked IMPACTS Member Cities to collaborate in this joint project between Geneva, , the Lausanne Polytechnic School and the Geneva University. He reminded that they need persons to teach mobility subjects.

Leaflets were distributed to the participants.

SESSION 5: PARALLEL SESSIONS

IMPACTS EUROPE ANNUAL ASSEMBLY OF CITY DELEGATES

*(restricted to Impacts Europe Member Cities Delegates –minutes ar available on the website
"for members only" sub-menu)*

WORKSHOP ON POLITICAL SUPPORT, FINANCE, STRATEGY AND TECHNICAL ASPECTS

Economic effects of road pricing

Mr. Wim Korver, TNO-Inro precised that he will talk about transport pricing reform, concentrating on the Netherlands as a whole.

About the specificity of the Netherlands: car ownerships are quite low whereas congestion levels are high especially in the Western part of the country, which accounts for 700 Million Euro travel time losses per year on the motorway network. What is typical of the Netherlands is that congestion is to be found mainly on the motorway network next to the urban areas.

This means that within cities – and city centres- congestion levels are quite low. Regarding the environmental perspective, the thresholds defined by the European legislation are exceeded in many urban areas. The peak periods are bound to extend in time in the future.

Transport pricing reform is not new for the Netherlands. It was already on the agenda in the 80's (Transport Structure Plan). Now, it is the subject of an animated debate, based on the idea of an infrastructure charge to finance the maintenance costs.

Technically, many proposals have been made since the 80's (general road pricing system, cordon charge, km/charge proposal based on emission and time of use...).

The Mobility Policy document which has been just published defines clearly what are the possible options to be considered regarding transport pricing.

The Minister of Transport awaits advice from a Platform with Stakeholders and Experts (2005), which will be included in the 2nd edition Mobility Policy Document (2006). And maybe some initiatives will then be taken.

Then **Wim Korver** expressed his point of view about the reasons why transport pricing reform has not happen so far:

- Political uncertainty:
- Unclear about revenues use (tax versus user fee?)
- policy targets have not been clear enough either
- Technical constraints
- Ambition to charge all car users (7 million vehicles)
- Uncertainty on the impacts
- Regional impacts are very different
- Short term and long term effects

He illustrated the impacts of different pricing options:

- The first option deals with the MAUT, the German system with Infrastructure use charge on Dutch motorway network and no Eurovignette.

With the MAUT system, more larger trucks would be used, revenues “lump-sum” are put back into the economy. Another impact is that the share of trucks on the motorway decreases with a “detour” effect on the secondary roads and therefore a major effect on safety and environment. He also pinpointed that the effects change with the category of goods transported.

For the MAUT system, there is a positive welfare effect¹. The production-effect is negative but the income effect is positive.

- The second option is a variabilisation purchase tax and vehicle usage tax. With a variabilisation Purchase Tax and vehicle usage tax, the total costs do not change but the variable costs will increase dramatically. The car ownership will increase. The number of trips will remain constant but the number of kilometers travelled will decrease, which means people will travel shorter distances. The travel speed will also increase.

In the case of variabilisation, there are negative welfare effects¹ : there are friction on labor market, strong regional effects (Regionalisation) of production and negative income effects.

¹ The effects have been calculated with a regional general equilibrium model for the Netherlands called RAEM.

Regarding the effects of transport pricing on income, transport costs for companies will change, competition situation changes as well and therefore the labor market. People will tend to look for a job that is closer to their home so the housing market will undergo modifications as well.

As a conclusion, regarding transport Impacts, even moderate change can have already major implications. In the same manner, a large change will have a major impact. Regarding economic impacts, it is not always positive, labor market impact could even be negative. Even moderate changes can have important regional distribution effects.

In an overall perspective, transport pricing systems should first be implemented at a small scale and long term feedbacks should not be underestimated (labor market, car ownership, competition between regions).

Marginal cost and acceptability

Professor Piet Rietveld, Free University of Amsterdam, explained that he will develop the subject from two perspectives: regarding the efficiency effects on congestion and on the other hand, regarding acceptability.

The basic motivation for marginal cost pricing is that when the consumer is increasing the volume of consumption of a particular good, the volume of traffic to the level where the cost of the last km travelled is as high as the benefit it gives then he is in the optimum situation. If he would proceed further, the costs would become higher than the benefit. This is right as long as there no external costs otherwise this rule does not lead to an optimum because sudden costs remain unconsidered.

One might think that the aim of road pricing is to reduce the number of road users but there might be some other ways to do so, for instance by allowing only particular cars to enter on particular days selecting them according to their plate numbers. This would lead to a reduction in costs but this can mean kicking out the road people with a high willingness to pay. So in the end, the welfare gain might be negative.

After all these positive comments, why is not road pricing widely applied?

There are potential barriers such as technological / practical barriers, besides implementation costs are too high.

The issue of Acceptability is essential because road pricing is not a popular measure.

Congestion pricing induces the probably least favourable redistribution for democratic success.

But this depends on the value of time, voters with high value of time may vote in favour of road pricing.

Besides, non-car owners may vote in favour of road pricing.

One important element is the way the public sectors spends money

There is a wide variety of multi-disciplinary studies that have been carried out on acceptability, putting some key issues into relief:

- Expressed doubts on effectiveness and privacy
- Perception problems: the public being optimistic about pull measures whereas researchers found out that pull effects were less effective than push effects
- Asymmetric distributions of gains and losses

- Regressive ness: adverse effect on income/welfare distribution whereas it is not so clear that road pricing will hurt poor income groups more than others certainly not in absolute terms and even not in relative terms.
- Value of time argument: indeed regressive
- Correlation income – km's driven: not regressive
- Distrust of government's use of revenues

As a conclusion, **Prof. Rietveld** listed essential elements to be taken into consideration :

- Possibility of varying tolls is essential
- Everybody remains at same welfare level, hence
- Acceptability is a smaller problem: no reduction in individual welfare.
- Essential: fine tuning of time varying tolls.

Do and don'ts, lessons learned from the M6 project in England

Pepijn van Wijmen, APM Consulting, introduced himself as a consultant on strategic and policy issues concerning infrastructure and area development. The Dutch Ministry of Transport, Public Works and Water management asked him to give an insight of the feasibility of introducing (successful) road pricing initiatives. In particular, he carried out a study focussing on recent experiences with the M6 Toll (UK) that opened in December 2003. For that purpose, he interviewed the main stakeholders (Regional and Local authorities, interest and pressure group, users, etc.) and studied all the relevant documents.

The M6 is one of the most congested area in the UK possibly in Europe, located at the North East of Birmingham. It's a two times three-lanes road, 46 km long.

In 1992, the concession was awarded to Midlands Expressway Ltd, a private concessionaire to finance, build and operate the new road. At the end of 2045, the infrastructure will go back to the Government.

The toll price was 3 euros at the opening for car, 16.5 euros for HGV. In March 2005, it increased to reach 4.5 euros for cars and decrease down to 9 euros for HGV.

The main effects of the M6 toll were the increase of reliability for travelling time

The overall M6 Toll is 10 min. less travelling time than the existing M6.

At eighter end, there is an increase in traffic about 5 or 6% suggesting that some long distance traffic has rerouted,

There is an average of 44.225 vehicles/day during the first 3 quarters; 20% more cars than forecasted; 95% less HGV's than forecasted.

On the overall, revenue meets forecasts.

During the public enquiry, the freight sector showed the most important support for this M6 toll, however when the initial price announced for HGV was much higher than suggested, the support turned into anger and opposition to the toll. Last August, the prices were lowered to have more lorries using the M6 toll which was confirmed by the first results.

In general, studies on road pricing focus on economic benefits, technology, traffic and tends to put the issue of acceptability aside. A study by the UK Government showed that trust is crucial and that a choice with alternative solutions shall be left to the people. Here, the alternative is the existing M6 that is free. In practice: almost all opposition disappears after the introduction of road pricing (and visible success).

One year after, the different stakeholders see the M6 toll as a success: it provides road users with a choice either to use the existing M6 or to pay for a faster, free flowing, more pleasant

and reliable journey. It enabled privately financed extra road capacity. It offers the possibility to regulate the use (HGV's) and it entails an increase of land- and house prices.

The road was built and designed on very traditional basis without new technologies, saving time, reliability and doing the minimum to meet the required standards.

The best customer service was provided. Therefore, this high quality service area contributes to the value of "product", in marketing terms for which people are ready to pay.

It is the unique case in Europe where the concessionaire is solely responsible for the price and structure.

But is this total freedom in the public interest?

In the UK, at the difference of other European countries, road pricing is introduced in different ways, at different times and places. (Dartford Bridge, followed by the congestion charging); So far all these schemes are successful not only in their use and effectiveness but also in the way they have been accepted by the public. The public is ready to pay a toll for a more reliable journey.

Questions/Answers

Peter Sonnabend from DHL asked *Pepijn Van Wijmen* whether the decrease in the number of vehicles showed on the chart for Sept 04 is a tendency verified the month after. And if yes, did it have an impact on the business case calculation?

Pepijn van Wijmen explained that in July and August 2004 there were roadworks on the existing M6, which explained why the traffic grew at that period. Looking at the figures of today, the traffic is still increasing. According to him, the financial case will work all right.

Peter Van Rheenen wondered what happens in case the guaranteed travel time is exceeded.

Pepijn van Wijmen asked that there is no discount. Anyway, there had not been major accidents. In case congestion appeared on the M6 toll, the company just increases the price!

Michele Dix told *Wim Korver* that his work looking at "revenue neutral" pricing scheme is also something considered by the UK Government. She remarked that unlike the UK studies, he concluded that it would not bring about an increase in vehicle kms travelled. Is it because all the roads will be charged or because people move in a different way? If it was revenue neutral how to conclude that it would have a negative income effect?

Wim Korver explained that for the first question, it is perhaps different from UK because all the roads will be charged. Besides, for the last question, there are market imperfections which generate transitional costs which lead to negative effects.

A participant was amazed at the behaviour of trucks on the M6 toll and in a company's perspective, you want to charge the real costs to the users. Most part of the tear & wear are caused by trucks so from a logical point of view, they should be charged a higher price. Can it be that the initial price was the right one? Are pricing schemes underestimating truck prices?

Pepijn van Wijmen answered that during the whole enquiry, it was said that the price for HGV should be twice the price for cars. At the opening, it was five time the price of cars, which was perhaps the right price but it raised public opinion against the project.

Michele Dix reminded that the M6 was really awful. Since the M6 toll opened, people are now happy to stay on the M6 because it is much more reliable that it used to be. So drivers stay on the M6 and save the money.

Robert Stussi asked whether the driver is informed at the junction between the free M6 and the M6 toll.

Pepijn van Wijmen answered that driving himself there, he found out that it was quite tricky to recognise one's way at the junction because signs were not explained in a clear way. And furthermore there is no modal information sign with the travelling time on both M6 at the moment.

André Leuxe from French Ministry of Transport wanted to know if the government paid something to the concessionaire and how was the risk shared by all stakeholders.

Pepijn van Wijmen answered that all the risks are taken on by the private company. In 1992, when the concession was awarded, there were environmental opposition which prevented the project from being built during 8 years.

ROUNDTABLE DISCUSSION BETWEEN CITY DECISION MAKERS
In favour or against charging urban infrastructure
Debate with the participants
Moderator: Ms Laurence Douvin

Laurence Douvin asked the speakers to join her to start the roundtable discussion :

Amsterdam	Mark Van der Horst , Vice Mayor / Alderman for Traffic & Infrastructure
Brussels	Jean-Paul Wouters , Advisor to Mr. Pascal Smet, Minister for Mobility
Barcelona	Julio Garcia Ramon , Head of Traffic Management
Geneva	Fredy Wittwer , Project Officer
London	Keith Gardner , Head of Strategy, Surface Transport for London
Paris	Claude Dargent , President of Transport Committee, Paris City Council
Stockholm	Asa Romson , Elected representative, Stockholm City Council
Vienna	Otto Schwetz , Chief executive, Tina Vienna

Laurence Douvin explained that the aim of the roundtable is to find out whether some of the questions asked during the conference regarding road pricing can now be answered. This roundtable is a logical continuation of the Open Space session, using the questions that emerged from the sessions, giving the floor to the political decision-makers :

What is under the word « road pricing » ?
Is it a dedicated zone within a city like a historical area ?
Is it a cordon charge around a whole city ?
Is a paying motorway leading to a city ?
Is it a mileage taxing ?

Julio Garcia Ramon explained that these are only opinions according to the different places. In Barcelona they believe that, on a theoretical point of view, it is a very good solution but practically and politically, it is not possible to implement it in Spain. Indeed, as all the motorways leading to Barcelona are toll motorways, you cannot ask citizens to pay another

tax. That's why Barcelona chose to focus on its parking policy to control the traffic in the city centre.

Keith Gardner said that in London, they had realised that a supply-side solution (building more public transport and more roads) was not the answer. By having urban road pricing as part as a package, they are starting to get out of a vicious circle. And it is not only good for transport, it is also good for the urban environment in every sense.

This policy should be part of a package, involving the public and stakeholders around the questions « what is the vision of your city ? » and « How would you trade off your mobility against the urban quality you desire ? ».

Fredy Wittwer underlined that Geneva was not for the moment very convinced about several points regarding road pricing policy. First, road pricing addresses the traffic in city centres whereas the crucial issue concerns the great increase of traffic in the outskirts of cities. Secondly, Geneva does not believe in the principle of tax allocated revenues. Thirdly, he stressed on the fact that road pricing does not favour social equity. In Switzerland, the debate is engaged about taxing the level of Co₂ and not the kilometers. They consider it wiser to try to change mentalities rather than to implement this kind of policy.

Asa Romson agrees with Keith Gardner regarding road pricing being part of a sustainable transport strategy package as a tool amongst others. She considered that in Stockholm a strict parking policy would be too stiff. So, in Stockholm, where there are a lot of physical constraints, congestion charging seem the most suitable tool. They had considered building a second ring road which would be a toll road but it would always lead traffic to the city centre.

Jean-Paul Wouters acknowledged that Brussels was not ready yet to envisage road pricing for several reasons :

- a political context ; being a young region, the region of Brussels Capital intends to look for alliance with the two surrounding regions and not opposition.
- for economical reasons : there is a fierce competition between the city and its outskirts, which leads to many relocations though there is no road pricing yet.
- For social equity reasons
- For geographical reasons : there are a lot of passage points with the Flemish Region. If a pricing ring road should be implemented, could only be built with cooperation agreements with the 2 surrounding Regions. Thereby, it seems unlikely that these Regions accept that the revenues finance mobility in the capital !
- With the modal shares existing in Brussels, the financing of public transport to reverse the modal split, would be far too important !
- Before thinking about road pricing, the city wishes to review its parking policy, which needs improvement.

What is road pricing for?

Financing

Reduction of congestion

Improvement of environment

Laurence Douvin asked whether they thought it the best solution to start with goods transport.

Claude Dargent acknowledged that it might be a start for this kind of pricing policy in Paris and especially dealing with the most polluting trucks because the aim of the municipality is to reduce air pollution. In that case, older HGV are responsible for this type of pollution. Besides, there is so far no measure that incites those trucks to avoid crossing the city via more remote roads. As Denis Baupin explained, this is not, in any way, a priority for private cars in Paris.

Asa Romson confirmed that this depends on the city's perspective. In Stockholm, the freight transport set up the highest fees for delivering goods than in any other Swedish towns because of congestion caused by private cars. So it was more appropriate to tax lorries on pollution rather than apply pricing systems.

Jean-Paul Wouters said that there are two trends regarding freight traffics: on one hand, there are heavier trucks (more than 40t), on the other hand, cities do not want these vehicles to enter their boundaries. One can imagine at a European or national level, a taxation of inter-urban freight transport whereas at a city level, there might be regulations or creation of distribution urban platforms.

Mark Van der Horst stressed that the reduction of congestion aims at improving regional mobility. The pending questions are : when ? what groups ? Where ? Amsterdam has already used the parking policy tool. So, another instrument is needed. The problem lies especially outside the ring road. Besides, financing improves the environment and the infrastructure which are really necessary in the region. When it comes to lorries, there are other set of instruments to be resorted to.

Keith Gardner explained that in London, the political framework allowed the Mayor to implement congestion charging. He added that, regarding the social issues which had been regularly tackled during the conference, the biggest single gainers of the central London congestion charges are those people who do not have access to a car. The people using the bus have seen the access waiting time reduced by 1/3 thanks to the congestion charge !

Who should take the lead?

National governments should be prepared to allow regional/local charging schemes.

Cities/regions must be prepared to take the risk of implementing the schemes and they must be allowed to keep the revenues for implementation/enforcement.

Do national governments have a different view on the problem or a different view on the solution?

The views of city/local politicians be in line with the views of national politicians? The question is how.

Julio Garcia Ramon remarked that the difference between toll roads and road pricing has not been clearly explained. In the Latin countries, there are a lot of toll roads and no road pricing systems. Toll roads establish a fixed tax whatever the situation, there are just financing instruments, they are not supposed to regulate the traffic. In one of Barcelona entrance, a toll road has a different price according to the level of congestion, which regulates the traffic. This is an exception.

Laurence Douvin asked the participants their opinion concerning differential fees according to the time, the hour and the density.

Asa Romson said that, when developing the Stockholm charging scheme, it was quite clear at the start that a differential charge was more appropriate because of the traffic flows in the city. They needed with their limited road infrastructure the people to have the choice of the time.

Answering the question « who should take the lead ? » she reckoned that it is more feasible by national Governments who have all the necessary tools in hands. But on the other hand, road pricing is very closely linked to cities' specificities and national government know little about local situations. That's why most cities deal with their parking policy. It would be logical that cities could have their own pricing tools they could resort to.

Mark van der Horst agreed and explained that it is a mixture of regional and local levels to combine every aspects. Besides, charges should be adapted to the level of congestion. The European Union has the framework of interoperability. The national level should provide the legal framework and the local/regional level should deal with more specific aspects linked to the context of the city.

Claude Dargent pinpointed that in Paris the principle is that what occurs at a local level should be decided and controlled at a local level. He stressed that parking policy and road pricing policy were closely linked. Paris chose to regulate traffic through its parking policy. Another not so different aspect is the petrol taxation. At the moment, in France, there is a discussion concerning the possibility to allocate part of the petrol taxes to the Regions in order to finance public transport.

Keith Gardner added that in the UK, having a national Government that gave permissive powers to local authorities was the best partnerships because local politicians should be making the decisions for urban areas. What is often lacking is a politician daring to implement policies. Besides, in London the Mayor wanted to make things simple, to be acceptable by Londoners. Once it is accepted, further developments can be reflected upon.

Otto Schwetz said that it is not only a matter of national Government but also of the European Commission. In sensitive areas, you are allowed to ask additional fees. In Vienna, with the Commission, urban areas were declared as being sensitive areas because they also wished to add some fees to the initial tolls on highways and to use this money to finance public transport. This was not allowed before but now the Commission agrees that cities are also sensitive areas. In Vienna, there is no problem with the national Government because of the federal structure.

About social acceptance :

How should the public be informed ? When ?

Should the public be consulted by enquiries, vote, referendum ?

What if the public is against before the implementation bit maybe favorable after ?

What kind of collaboration between the media and decision-makers ?

Frédry Wittwer explained that if you take an area like London or Paris city centre where 70/80% of the users use alternative modes of transport, the acceptance will be obviously higher. For instance, most of the citizens living in Geneva use public transport so mobility projects are better accepted than at a regional level.

Asa Romson mentioned that politicians always seek public acceptance but politicians need also to bring about new visions, proposals to the public. And road pricing is not different from any other sensitive political issues. Most people can relate to it. Politicians need to be very clear about the objectives of the measures they implement, in particular when road pricing systems are concerned.

Do we know enough about what road pricing will do?

Remaining fears concerning the relocation of business, especially retail trade. More studies needed?

Any approach / experience which can be generalized?

Do we need more understanding of the longer term effects?

Mark van der Horst said that decision makers never know enough about that subject. He considered that this is not a reason to hesitate. Nevertheless, policy makers need to think ahead and learn from other regions and cities. The cities are so different from one another that results might be very different. Therefore, it is important to implement a very flexible system because long-term effects are not known yet. So it is necessary to move ahead, monitor it and try to adjust it to the local situation and the current time.

Conclusion :

Laurence Douvin thanked the representatives from Amsterdam for a beautiful conference in perfect conditions for work and entertainment. She hoped that they will have all the needed political support for their project. Member cities will be watching.

All the outcomes of the conference will be published on IMPACTS website (<http://www.impact.org>).

The next conference will very probably be hosted by the city of Stockholm.

She announced that a new Executive Management Board has been elected composed of herself, Barcelona, London, Paris, Geneva and Brussels, and Stockholm as soon as they provide their answer. She called Anouk Hesse, Hugo Warning, Frans Solleveld, Germa Bakker, Catherine Dabrowski and Jean-Louis Graindorge and thanked them for their excellent job.

Mark van der Horst expressed his enthusiasm for hosting the conference and thanked warmly Laurence Douvin.

The conference was closed.