



White Paper 2001

1 Pricing externalities

2 Productivity improvements

3 Infrastructure improvements

Implications of corridor findings for Europe

- **16 countries of which 10 are in the Union**

Implications for policy of 'fair and efficient 'pricing

- **identifies marginal social cost in the Intermodal market**
- **compares taxes with external costs and infrastructure charges**



Road Taxation - Unit €40' container km - Year 2000

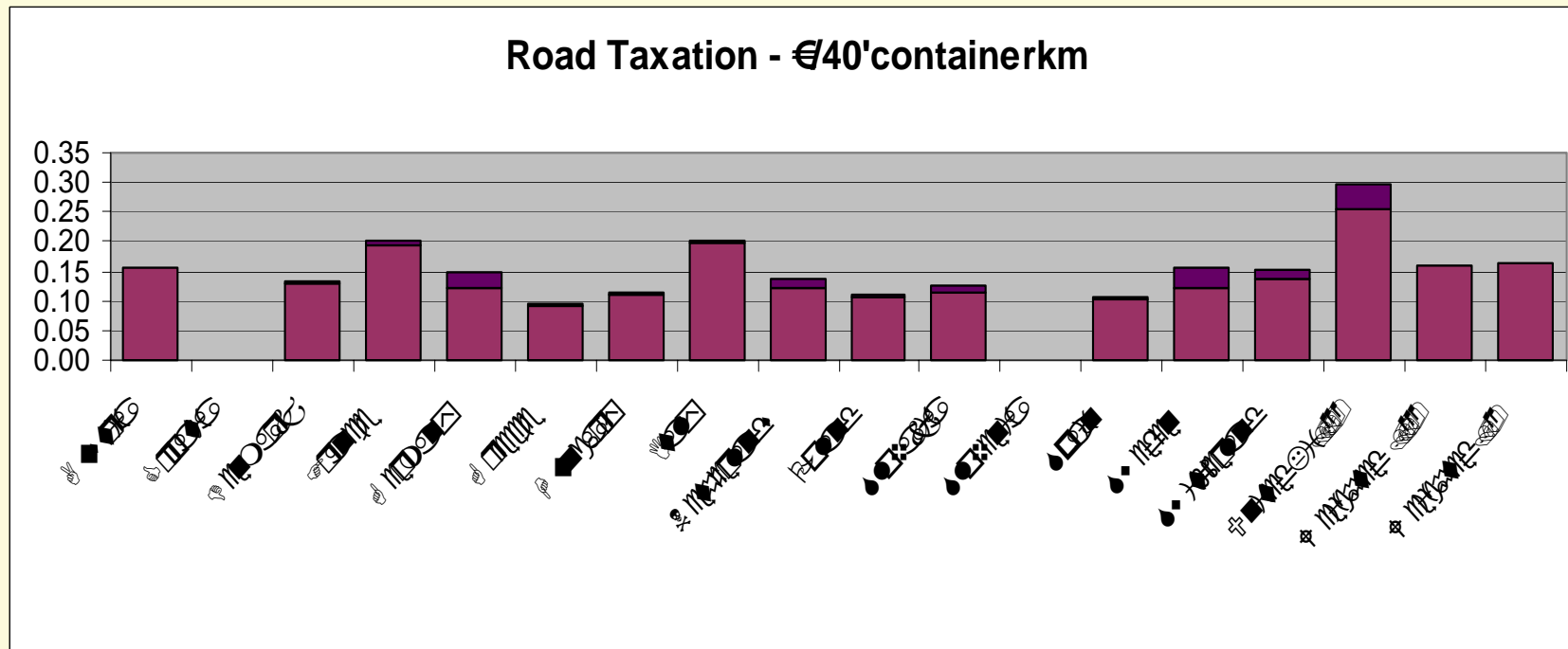
In terms of 'per vehicle km' slightly lower

weighted average €0.18

highest €0.30 UK

average internal costs

€1.05/km

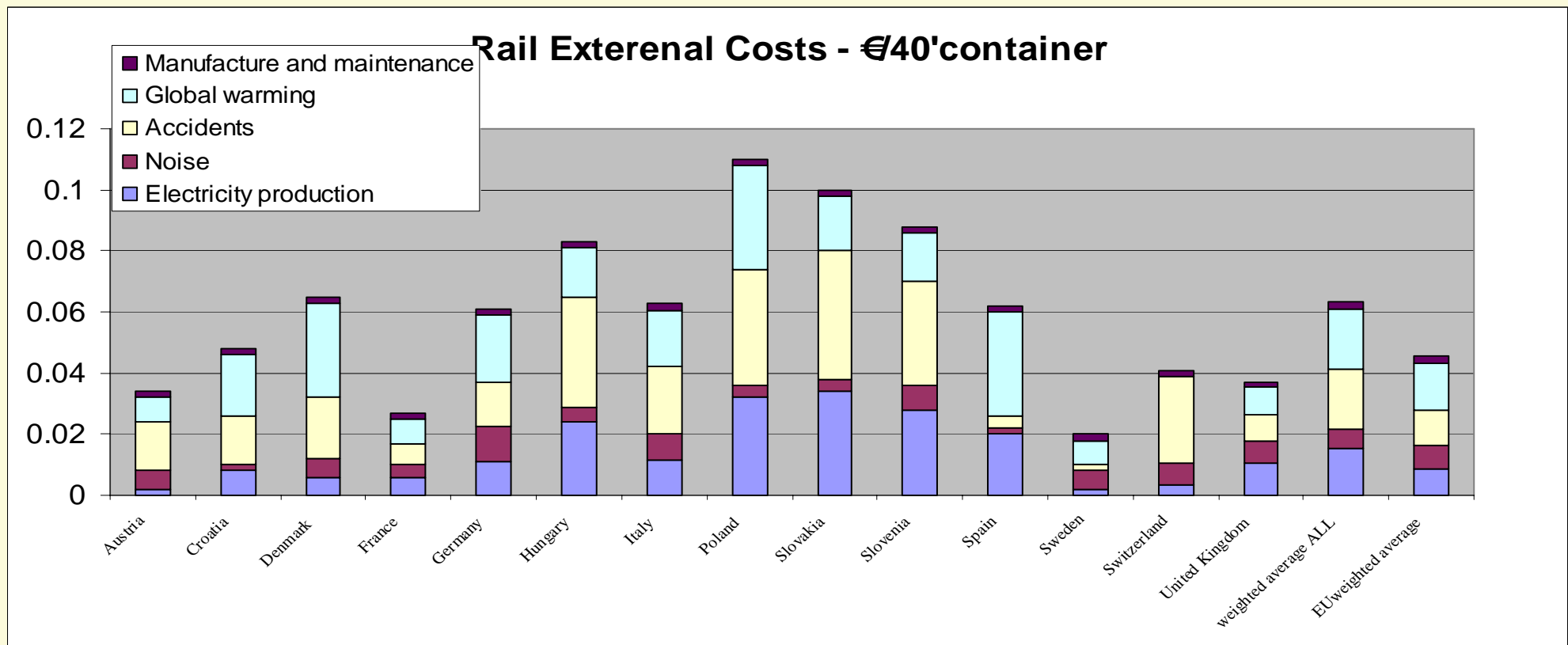




Cost of using Infrastructure and Charges - Rail

External costs plus maintenance/operation > charges + taxation

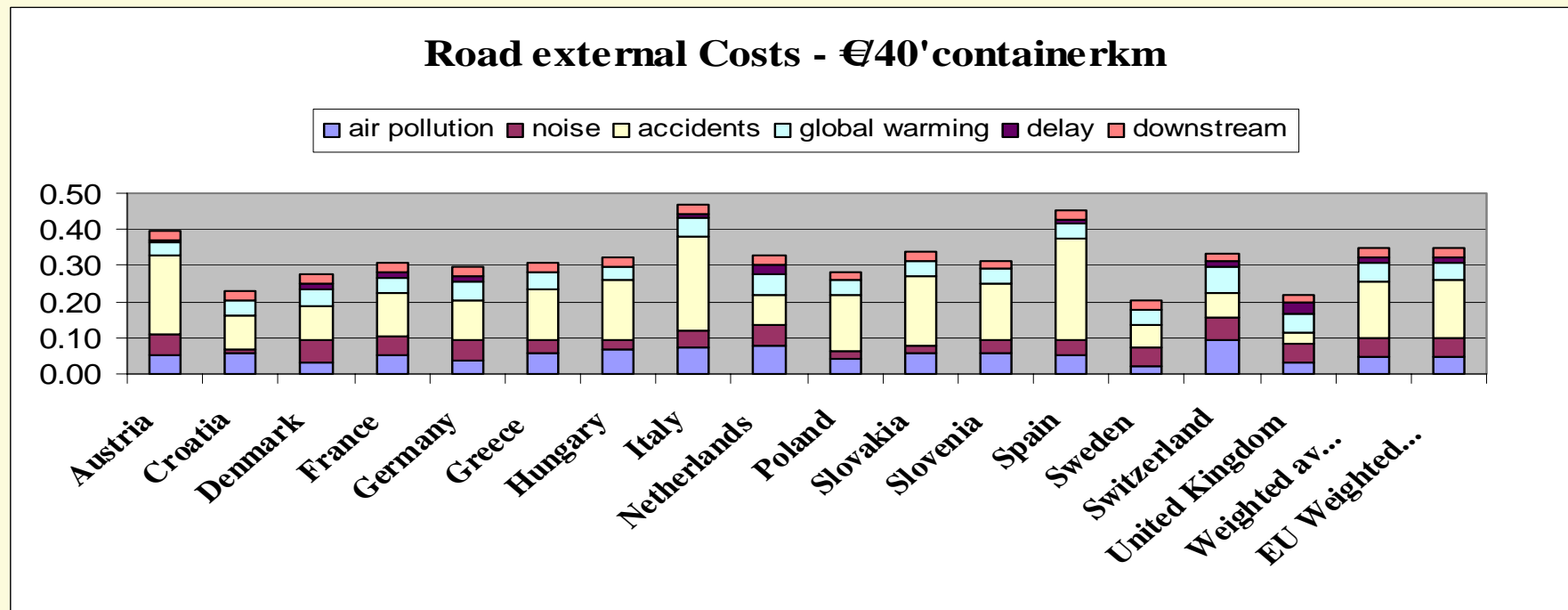
€0.04 + €0.08 > €0.06 + €0.00





Cost of using Infrastructure and Charges - Road

External costs plus maintenance/operation > charges + taxation
 €0.35 + €0.08 > €0.04 + €0.18





The Balance of (External costs + infrastructure costs) and (Taxation + Charges)

Road = €0.21 Rail €0.06 (per 40' containerkm)

A social charge of €0.15 achieves efficient pricing between the modes

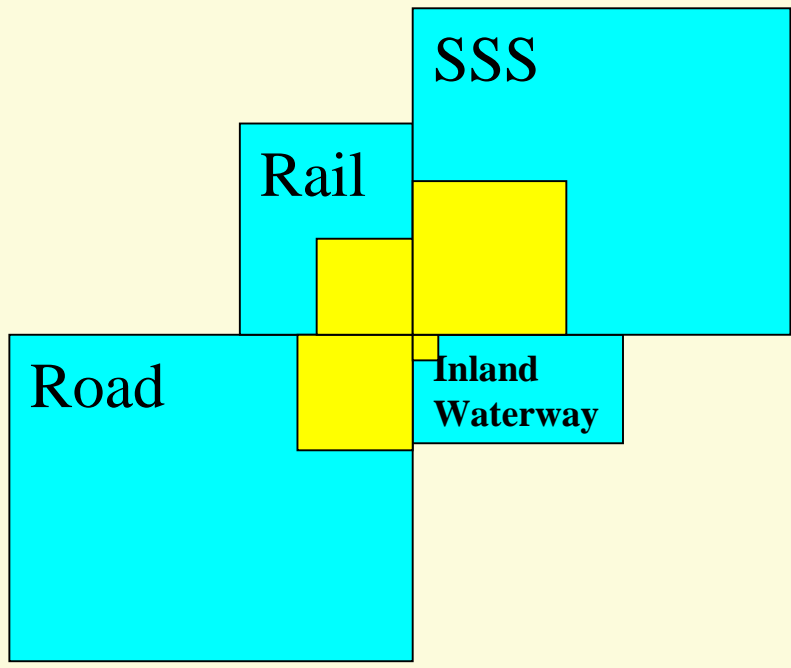
Equivalent to €0.38/litre fuel

Benefits

Increase of 12 btkm in intermodal rail movement

(White Paper seeks 61 btkm)

Social benefit €54mil per year



The Intermodal Market

Other Components of the Intermodal Market

Inland Waterway

External costs €0.08

Road taxation increase demand 0.4btkm

(White Paper target 4.7 btkm)

Short Sea Shipping

External costs €0.34/40'km

Taxes €0.12/40'km

Social Charge = €0.22/40'km

Relative to Road stays the same



A comparison based on averages

What is the variability in Europe?

What uncertainties remain?

What is the relation to other Freight traffic?



Variability in External Costs in Europe

- by location

- by time of day/week

- by vehicle type

Case for discriminatory taxation

Benefit in addition

€42mil per year

More equitable and More efficient but More costly

