

Legal and fiscal frameworks for Mobility Management

EPOMM - Managing mobility for a better future

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feedback









The 15th edition of the European Conference on Mobility Management ECOMM 2011 takes place in the beautiful city of Toulouse in France from 18th to 20th May 2011. The <u>central topic</u> will be "Economic Recession: a New Dawn for Mobility Management". The <u>call for papers</u> is open until 17th December 2010 – detailed information can be found on the conference website: www.ecomm2011.eu.



Dear reader.

Authorities dispose of a variety of different tools to influence the modal split in their territory. On a very basic level, they can use information and advice strategies to point out the benefits of sustainable transport modes to citizens, schools, companies... The fact that this approach does not always suffice to effect behavioural change, does not require explanation. In this e-update we will focus on more pressing regulatory and financial strategies available to governments and the way in which the regulatory and fiscal framework of a country defines the opportunities and limits for MM.

Describing this general topic in all its complexity is impossible within the scope of this e-update. However, we hope this e-update will provide you with a broad overview of usefull resources that will help you further explore this topic.



Incentives and barriers for Mobility Management

Most legal and fiscal measures can be categorised under the so-called 'push'-measures, aiming to reduce car use by making it less attractive. These often unpopular measures should be combined with 'pull'-measures, which aim to make alternatives to the car more attractive (e.g. a better coordination of PT services and proper integration with transport planning). Read more about 'push' and 'pull' strategies at the <u>PEP's website</u>. As these measures influence individual decisions at the point where one decides to make a trip, many of the strategies described in this e-update are covered in the <u>e-Atomium training manual on Demand Management</u>.

However, legal and fiscal measures can also be counterproductive to local Mobility Management projects. For instance, when incentives for sustainable transport choices in companies are treated as a taxable income, their added value is diminished. As a result, not all MM measures are easily transferable between European countries. The EU project MOST (concluded in 2002) studied the barriers and success factors which are beyond the reach of the local implementers of Mobility Management strategies. Although the findings might be outdated, the MOST report on Framework Conditions (Deliverable 6) gives an interesting view on the factors which can be in play. MOST summarized its findings in the so-called P.A.I.R.-scheme (Policy – Actors & structures – Integration – Resources), a model for the analysis and improvement of framework conditions for MM.

The Dutch Taskforce Mobility Management - a consortium of companies, employer and employee organisations and local authorities in the Netherlands - picked up on this idea and is making an inventory of all barriers to mobility management in current Dutch legislation. Read more about the Taskforce's ambitions <a href="https://example.com/here/bases

The P.A.I.R. scheme





Similarly the current EU project <u>ADD HOME</u> has identified preconditions and hindrances for energy efficient transport modes in residential ares. Their research does not only consider transport and mobility regulations, but also legislation in the field of construction and land use planning. (Read the analysis report <u>here</u>.)

For an overview of the national framework conditions in each EPOMM member country or EPOMM-Plus partner country, we kindly refer you to the <u>Country Pages</u> on the EPOMM website. Let's have a look now at some examples of legal, regulatory and financial measures for MM, without trying to be exhaustive.

Legal and regulatory framework



Travel and mobility plans

In the EU countries, many examples of mandatory travel or mobility plans for companies, real estate developers, cities or regions can be found. For instance, all large companies (200 employees or more) in the Brussels Capital Region are obliged to make a company travel plan. Last year, the government decided to widen the scope of this obligation to companies with 100 employees or more. An interesting analysis of the current and potential instruments for the government to stimulate the take-up of mobility plans by companies in the UK, can be found in this report from Loughborough University. In London, a special website, called New way to plan, was developed to offer information and guidance to local authorities and developers to help them secure high quality travel plans for new developments (workplaces, residential areas, hospitals...).



Accelerating the take-up of sustainable urban transport plans (SUTP) by regions and cities is one of the key actions defined in the Commission's Action Plan on Urban Mobility (see also the e-update from January 2010). A briefing note on Sustainable Urban Transport Plans, explaining the concept of SUTPs and featuring European best practices, was prepared by the EU Directorate-General for Internal Policies as a guidance tool for urban areas in Europe. Another tool on SUTPs for transport and urban planners is the Moving Sustainably website, produced in the EU project BUSTRIP.

Several European countries are working on the integration of SUTPs in their national policies.

• In Spain for instance, the new proposal for the Spanish law on sustainable economy, suggests that all urban transport subsidies to Regions or cities are to be linked to the development of a SUTP. Read more about the history and institutional framework for MM in Spain in Miguel Mateos's paper for ECOMM 2008.

Examples of well-established policies can be found in:

- France (Urban Mobility Master Plans or "PDUs"): see <u>EPOMM-partner CERTU's</u> website.
- Belgium (Mobility Convenants),
- the UK (Local Travel Plans or "LTPs").







Access and Vehicle restrictions

Vehicle restrictions include various regulatory strategies to limit automobile travel at a particular time and place. Examples include car-free planning (pedestrian-oriented zones), auto-restricted zones (limited car access), road space allocation (more right of way for walking, cycling or PT) or restricted driving based on license plate numbers. Read more about vehicle restrictions in the e-Atomium training manual on demand management. An example of a temporary vehicle restriction, are the so-called play streets (see this Belgian case study).

Access restrictions are measures that limit access in inner city areas and other sensitive zones to clean and energy efficient vehicles, collective transport vehicles, cycling and walking. In Germany for instance, approximately 50 municipalities have an Umweltzone (Low Emission Zone) that is closed for either too old or too heavy vehicles, in order to reduce air pollution problems in this area. A special sticker is needed to enter these zones. On the website of London's Low Emission Zone, information is available in several languages. On the CIVITAS website, other examples of access restriction measures can be found.



Land use planning

The land use planning (LUP) process presents key opportunities for MM: the plan-making and building permission processes are key points at which MM may be introduced, to influence how people travel to and from a new development. In the Gartenstadt Weißenburg settlement in Münster, Germany, residents are even not allowed to own a car! One of the Max-tools on the EPOMM website, MaxLupo, uses real-life examples to show how and when MM can be integrated with the land use planning process. The Max project also did a cross-national comparison of the integration of sustainable transport, mobility management and land use planning for 10 European countries. Read more about Max in our e-update MAX: the results.





Pricing instruments - taxes and charges - impose a price on the environmentally harmful aspects of our mobility. In its paper A Politician's Guide to Efficient Pricing, the European Conference of Ministers of Transport argues that the reform of transport taxes to ensure efficient prices, is the single most important transport-sector reform currently on the agenda. For the three largest member states of the EU, it is estimated that efficient pricing for all modes of inland transport would deliver welfare gains of over €30 billion per year and revenue gains of over €100 billion per year.

The internalisation of external costs



At the heart of pricing measures lies the internalisation of external costs (user pays principle). For more than a decade, this internalisation has been a concern of the European Union. In 2000, the Commission's DG TREN issued a large-scale comparison of transport charges and taxes in 14 EU countries (Read the report here: Fair and efficient pricing in transport) In 2008, the Commission produced a Handbook on estimation of external costs in the transport sector, which will serve as a basis for future calculations of infrastructure charges. The handbook was accompanied by a strategy for a stepwise implementation of the model for all modes of transport (multi-lingual).

The Canadian website of the Victoria Transport Policy Institute (VTPI) offers many useful resources for the calculation of external costs of transport, such as a guidebook for quantifying the full costs and benefits of different transportation modes. Read their latest paper here.

Recently finalised EU projects on pricing include IMPRINT-Net and GRACE. In their exploratory state of the art study, the IMPRINT-Net consortium reviewed the latest policy developments, research and experiences on pricing reforms. The GRACE project researched the appropriate degree of complexity in transport charges.

Note that besides charging environmentally harmful transport modes, it is also possible to subsidise sustainable modes. <u>Subsidies</u> can be accorded directly or in the form of tax benefits (e.g. <u>tax incentives for bike commuting</u>).



The internalisation of external costs can be achieved through various measures. Let's have a look at two examples: parking pricing and road user charging. Parking pricing is the transport demand management measure that is most frequently implemented by local authorities. In Nottingham, the UK's first workplace parking levy will be introduced in 2012. It is a tax to be payed by all employers who provide 11 or more free or relatively cheap parking places to their employees.

Road user charging is a very effective tool in reducing motorised traffic. The <u>London Congestion Charge</u> is probably the best-known example. The Dutch government, in its turn, has chosen to move away from taxes on vehicle ownership, to a pay-by-use price for driving. An English version of the Dutch Road Pricing Act can be found <u>here</u>. In 2007, the Maltese authorities introduced an hourly charge for vehicles entering the city of Valletta (read the case study <u>here</u>).

the implementation of this measure and ways of overcoming those barriers. Read more about it in their <u>State of the Art Report</u> or in their <u>case studies</u> of successful implementations, current plans and abandoned proposals.

However effective road user charging may be, it is also a very unpopular and difficult measure to implement. The <u>CURACAO project</u> (finalised in 2006), identified the barriers to

Other examples of pricing measures can be found on the <u>CIVITAS-website</u>, as Integrated pricing strategies are one of the fields of focus of the CIVITAS-initiative.

The following links provide more information on pricing in general:

- VTPI's Online Transportation Demand Management Encyclopedia features several
 chapters on incentives to use alternative modes and reduce driving, including fuel
 taxes and pricing. Their paper Socially Optimal Transport Prices and Markets (2010)
 investigates the amount and type of mobility that is optimal for society overall. It
 identifies existing transport market distortions and reforms, estimates how such
 reforms would affect mobility, and investigates resulting economic impacts.
- A recent Dutch study researched the effects of pricing policies in traffic and transportation (report in Dutch - English summary) (2010).
- COMPETENCE project: Training reference material <u>Parking Management and Pricing</u> (2006).
- <u>The high cost of free parking</u>, a paper by Donald C. Shoup The University of California Transportation Center, argues that eliminating minimum parking requirements would reduce the cost of urban development, improve urban design, reduce automobile dependency and restrain urban sprawl.
- The Commission's Taxation Papers:
 - o Company car taxation (2009).
 - The role of fiscal instruments in environmental policy (2009).
- <u>Getting prices right</u> (2001), an older, but concise brochure, presents the results of the <u>Transport Research Programme</u> (4th Framework Programme).

The following links provide more information on road pricing and congestion charging:

- The <u>PORTAL course on *Pricing*</u> (multi-lingual) focuses in particular on road user charging.
- The EU project <u>DIFFERENT</u> (finalised in 2008) focused on the differentiation of charges by user type, vehicle type, time, place... and on user reactions to differentiated prices.
- Transport Research Knowledge Center: <u>Brochure Urban Pricing</u> (2006): results of research projects on road charging in the Fourth and Fifth Framework Programme.
- COMPETENCE project (2006): Training reference material on Congestion and road











EU-project COMMERCE: final results

After 3 years the COMMERCE project has been finalised. It was funded by the European Commission through the Intelligent Energy Europe programme. It has helped to improve the quantity and quality of Workplace Travel Plans in the EU, especially in the New Member States.

COMMERCE and EPOMM organised and financed the Pan European Workplace Mobility Plan Awards, awarded at the last 3 ECOMMs, installed skill-share programmes and workplace mobility plan forums in several countries and delivered a work place mobility plan standard and guidebook. See details in their final newsletter and on their website.



EPOMM network meeting 2010: MM and seasonal traffic flows

This years' edition of the autumn conference of EPOMM took place in Athens from 4-5 October. It was jointly organised with the DELTA project, that addresses the problems and needs associated with passenger transport systems that are faced with high and steep seasonal demand. In addition, this conference also served as kick-off meeting for the Greek national network on Mobility Management, developed through the EPOMM-PLUS project.

While the first day mainly focused on the presentation of the DELTA results, the second day of the conference was declared as networking day. Participants had the possibility to submit "challenges". These selected local or regional problems in transport or mobility have been discussed in small groups with experts from across Europe. The result of these discussions were ideas and valuable comments for the challenge owners for the future handling of their problems.

In the EPOMM café, participants selected 2 topics of their interest/profession. Clustered into small groups again, these topics served as starting point for a moderated discussion or bilateral conversations.

For more information on the conference, e.g. presentations and pics, please visit the conference website!



























