Road Pricing in the Netherlands: Lessons learned
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Dutch roads: getting more and more congested
History

- Previous attempts:
  - 1988: Road Pricing I
  - 1992: Rush-Hour disc
  - 1994: Road pricing II
  - 1999: Rush-hour surcharge and road pricing in the form of tollbooths on all access and exit roads of the four major cities in the Randstad conurbation (road pricing)
  - 2001: convert fixed government charges to a payment per kilometre by no later than 2006
  - 2005 till now: Kilometre charge
Nouwen Platform – Investigated alternatives

Investigated alternatives by the Nouwen platform in 2005:
- Congestion charge at busy times and places
- Payment per kilometre for heavy goods
- Fuel tax increase
- Payment per kilometre with a rush-hour surcharge
Overview investigations

<table>
<thead>
<tr>
<th></th>
<th>Decrease travel time loss</th>
<th>Environment and security</th>
<th>Costs (Investments)</th>
<th>Introduction</th>
<th>Prosperity</th>
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</thead>
<tbody>
<tr>
<td>1</td>
<td>Congestion charge at busy times and places</td>
<td>Up to 55%</td>
<td>tot 3%</td>
<td>200 mio</td>
<td>2009-2011</td>
</tr>
<tr>
<td>2</td>
<td>Fixed charges per kilometre</td>
<td>Up to 40%</td>
<td>tot 10%</td>
<td>3 miljard</td>
<td>2011-2016</td>
</tr>
<tr>
<td>3</td>
<td>Tolbooths (6 places)</td>
<td>ca. 15%</td>
<td>ca. 0%</td>
<td>100 mio</td>
<td>2009 and further</td>
</tr>
<tr>
<td>4</td>
<td>Fuel tax increase</td>
<td>ca. 15%</td>
<td>Up to 10%</td>
<td>0</td>
<td>2006</td>
</tr>
</tbody>
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Principles

- Paying for using the car instead of for owning the car
- Throughout the Netherlands (even if driving does not occur on roads)
- A basic rate per kilometre, differentiated according to environmental characteristics (CO2) in consultation with the stakeholders
- A rush-hour surcharge for busy times and places
- Using satellite technology
- Fixed motor taxes: motor vehicle tax, provincial surcharges and purchase tax to be abolished
- Revenue from road pricing will go to the Infrastructure Fund (maintenance, new construction, public transport, etc.)
Scope

- Registration unit
- Reporting number of km driven
- Invoicing and collection
- Enforcement

Guarantee track (no market at this moment)

Main track (EETS, open sources)
System overview
Project costs

- Condition of parliament: operational costs less than 5% and investments costs as low as possible

- Implementation 3.8 billion (Incl. project costs)
- Exploitation 1.8 billion (during scaling-up period)
- Total (u/t 2018) 5.6 billion
- Of which contingency (P50) 1.4 billion (25%)

Implementation costs:
- Main cost Drivers
- Unit Price OBE
- Installation time per vehicle
- Amount of vehicles (about 9 mio)
  (of which about 1 mio trucks, lorries, busses and other special vehicles)

Exploitation costs:
- Data communication between OBE and back office
State of affairs

Recently, on 11 March, the house declared the Different Payment for Mobility project as “controversial”. Consequence the Minister of Transport, Public affaires and Water Management has given instructions to:

- not undertake any new financial obligations in relation to the project
- reduce the project organisation
- suspend the process of tendering and certification
- discontinue preparations for the intended roll-out of the system

And to continue with:
- Preparations for the new cabinet to make it possible for them to choose
- Mobility projects
- International projects (EETS)

Note: The Dutch government consists of a coalition of parties
Lessons learned and dilemma’s

• Societal support is key driver (Stakeholder Requirements Analysis)
• Political ambition versus Realistic Planning
• Parallel versus serial planning
• KISS: Keep It Simple (difficult enough) and Stupid this method is confirmed by the poll of the Royal Dutch Touring Club
• Think backwards (exploitation, expand, test, build, develop) and incorporate (virtual, if necessary) corresponding stakeholders
• Keeping the basic principles of paying for use, revenue neutrality and refunding the revenues to Infrastructure.
• Communication strategy: focus on clear message why the system is necessary.
Questions?
Mobility Projects: road pricing in practice

- Improving regional accessibility to price incentives
- Making drivers aware of alternatives
- Learning about mobility behaviour
- Gaining experience with technology
- First opportunity Multiple Service Providers market
- 25,000 voluntary participants in 2010