

Schweizerische Eidgenossenschaft Confédération suisse Confederazione Svizzera Confederaziun svizra Federal Department of the Environment, Transport, Energy and Communications DETEC

Federal Roads Office FEDRO

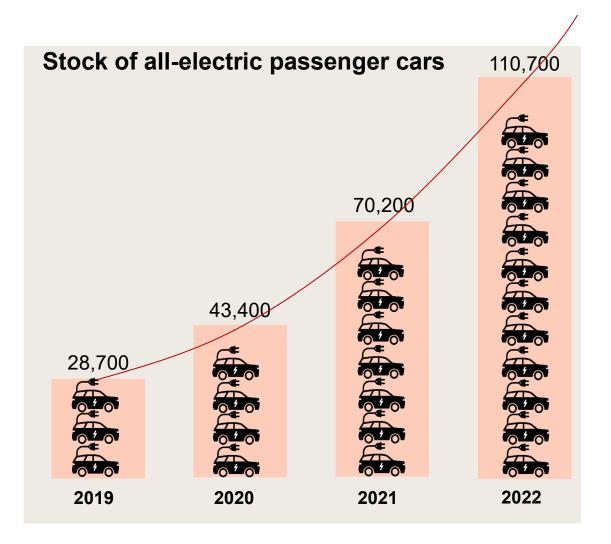
### A major challenge: new road infrastructure financing in the context of increasing electromobility



# **Current trends**

- Motor vehicles are becoming more efficient and need less and less fuel per 100 kilometres
- Increase in share of vehicles with alternative drive systems (e.g. electricity)



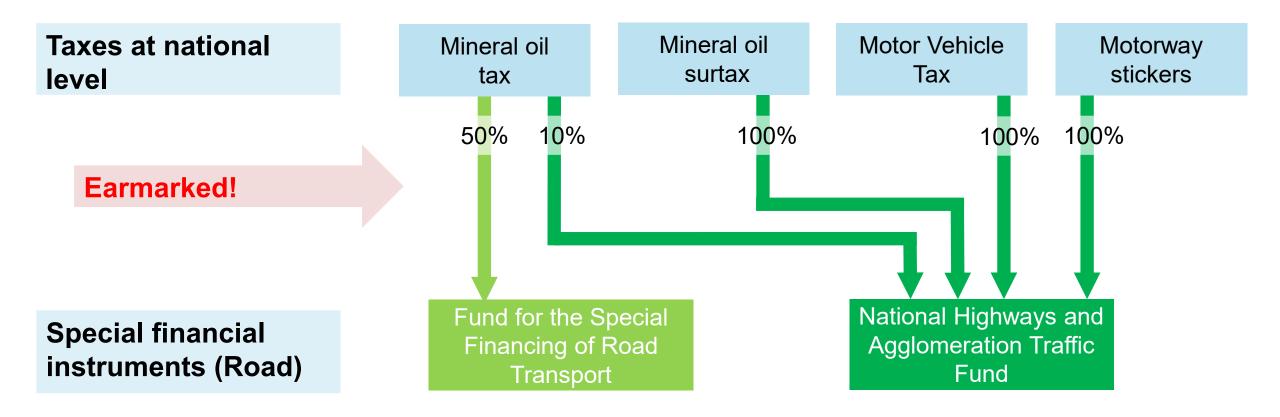


## The Problem: Electric vehicles do not pay mineral oil taxes

Fuel consumption per 100km	Mineral oil taxes <u>per 100km</u> in CHF	Mineral oil taxes paid <u>per year</u> in CHF (15,000km)		
5 litres	3.84	576		
8 litres	6.15	922		
0 litres (electric)	0.00	0.00		

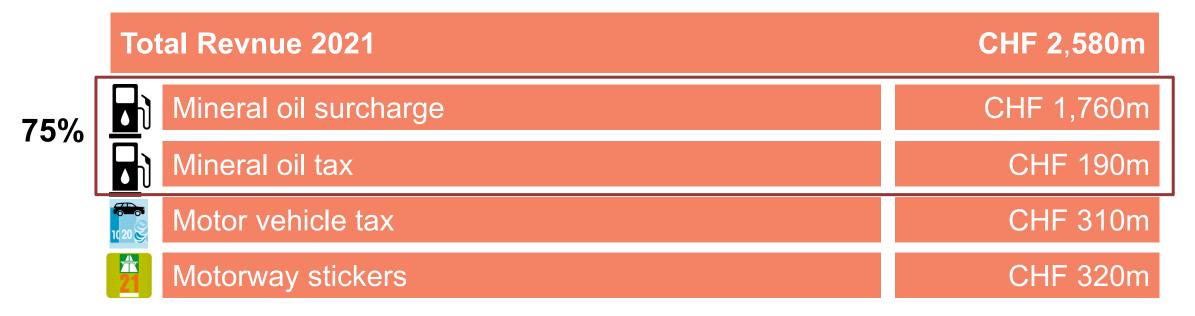
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# Switzerland as a special case



# National Highways and Agglomeration Traffic Fund

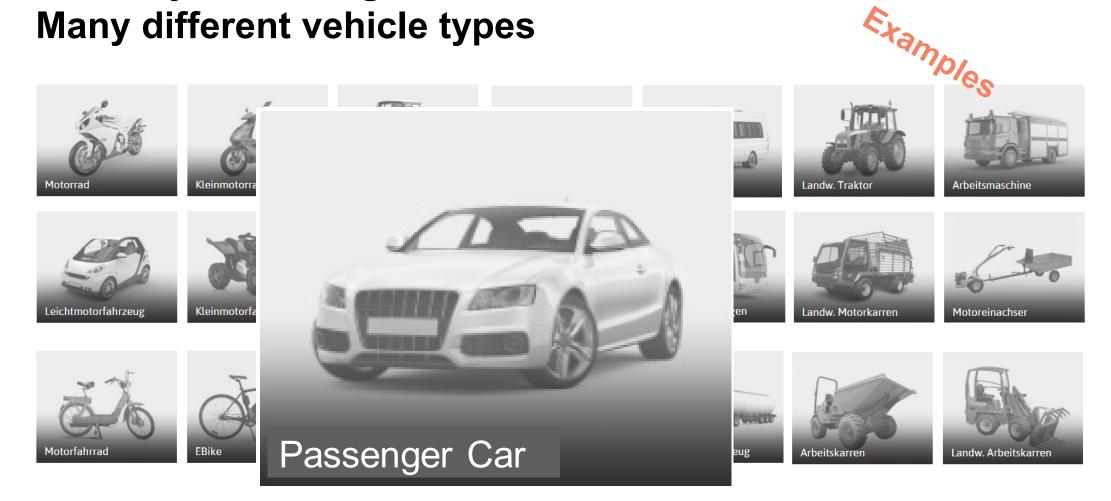
Revenue 2021



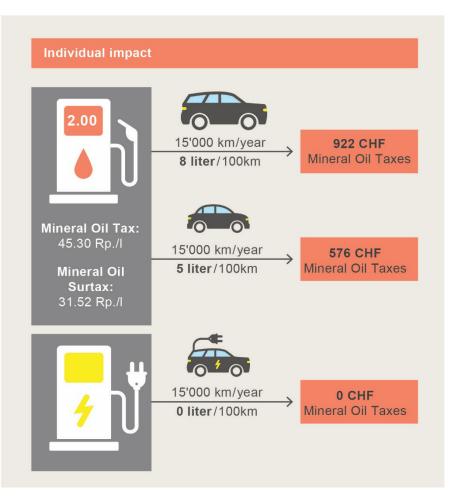
# Federal Council mandate (2019)

**Develop a concept** to secure the long-term financing of transport infrastructure: <u>Replace</u> mineral oil taxes with a distance-based levy.

#### **One major challenge:** Many different vehicle types



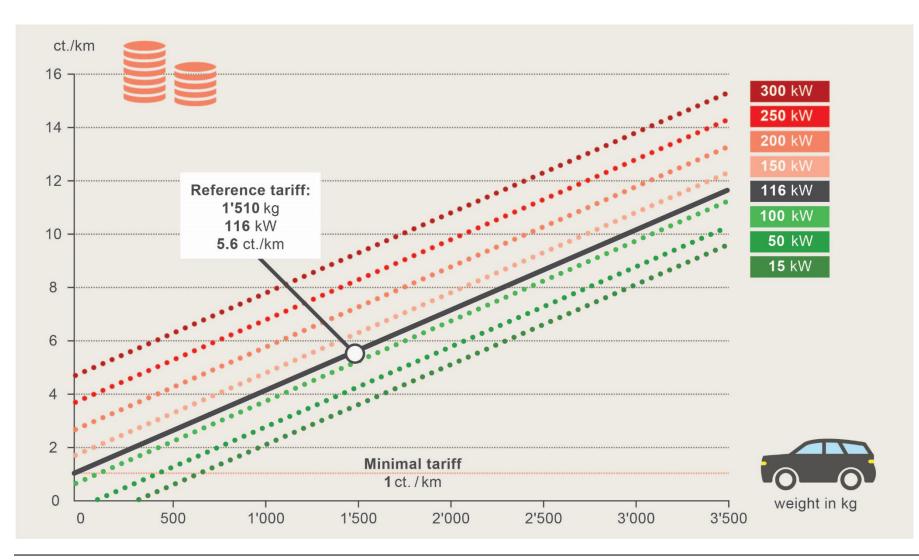
## Concept for a new levy to replace mineral oil taxes



#### **Basic principles:**

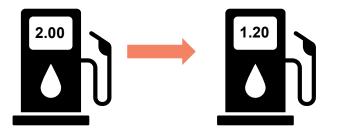
- <u>Compensation</u>: Mobility should not become more expensive, nor should it become cheaper.
- <u>Equivalence</u>: The new levy should replace the levies to be compensated for as equivalently as possible.
- <u>Pay as you use</u>: All road users should contribute financially

## Illustration of tariff model for passenger cars



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# Negative side effects of replacing mineral oil taxes





'Fuel tourism' to Switzerland and deterioration of Switzerland's carbon footprint



Environment: Loss of the incentive effect of mineral oil taxes, especially in the non-road sector/ships



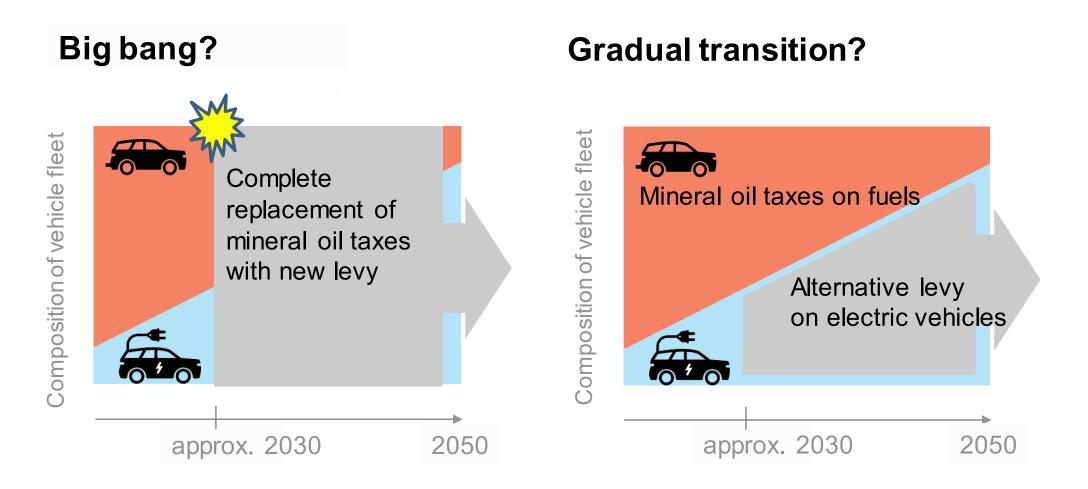
Loss of revenue from the non-road sector/ships, which would have to be compensated for by higher tariffs



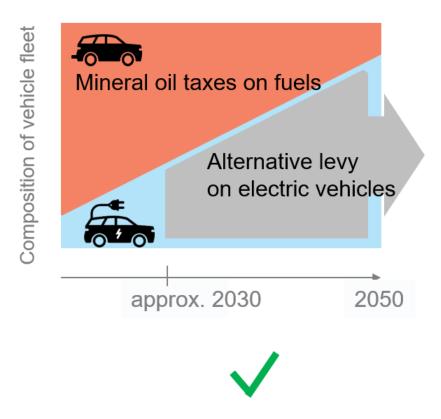
<u>Route shifting in transit freight transport</u>: More traffic through Switzerland because of lower fuel costs when refuelling in Switzerland

#### Introduction strategy?

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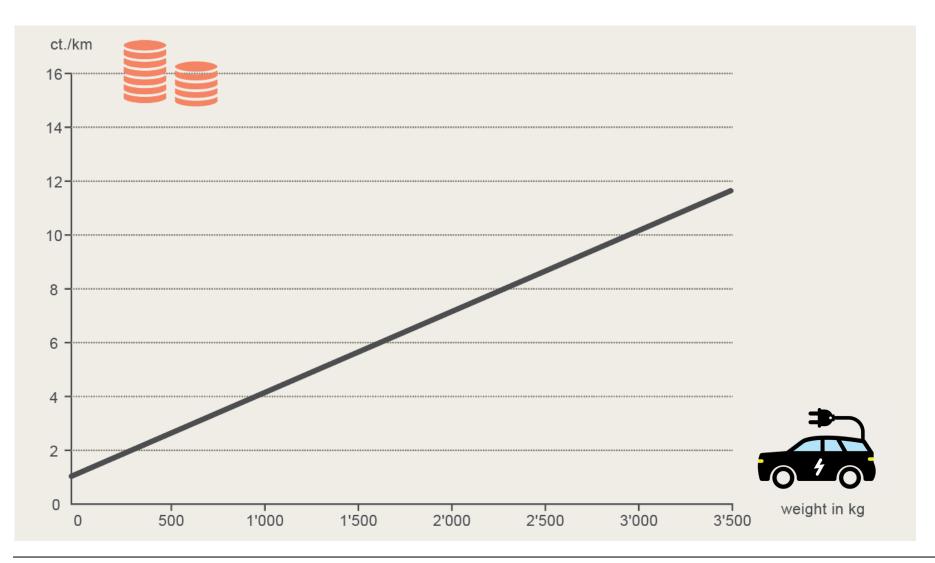


# Decision: Gradual transition!

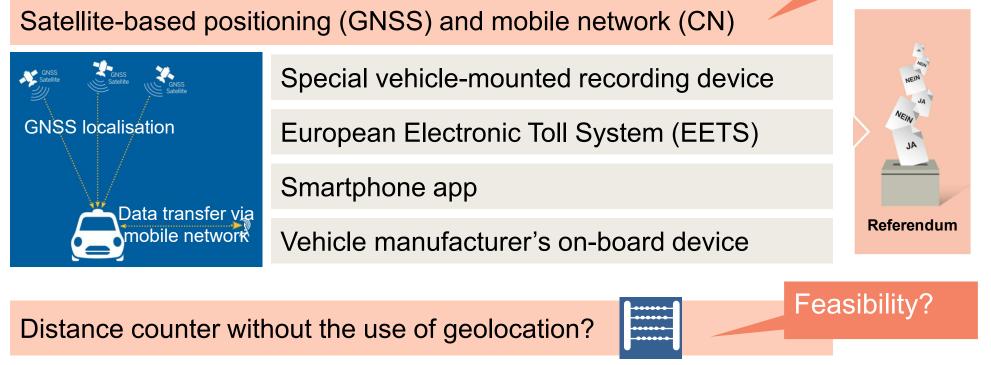


- No undesirable side effects
- Better financial outcome
  - No loss of revenue in the non-road sector
  - Lower Costs of data collection and enforcement
- Less complexity and risk during implementation than with «Big Bang»

## Tariff model levy on electric vehicles



# Calculating the levy: Recording distance driven



Electric energy consumption as a tax basis?



Feasibility?

Acceptance?

## **Open Questions**

#### Many questions remain unanswered

- How to treat drivers from abroad?
- Distinction between distance travelled within CH / abroad?
- Manufacturers have the necessary data, but:
  - Do vehicle manufacturers want to share data on distance travelled?
  - Are the data of the requisite quality?
  - Will it lead to a dependency on vehicle manufacturers?
  - Can the data be manipulated?
- Is there likely to be a European solution to replacing mineral oil taxes, and would vehicle manufacturers have to follow certain requirements in future?

#### Timeframe

	2022	2023	2024	2025	2026	2027	2028	2029
Federal Constitution/Act								
Conceptual work								
Preliminary draft								
Consultation and evaluation								
Preparation of dispatch/legal texts	6							
Parliamentary debate								
Referendum								
Ordinance								
Preliminary draft								
Consultation and evaluation								
Revision								
FC decree								
Structure of data collection system								
Preliminary organisational work								
Procurement and implementation (approx. 3 years)								
Entry into force								