

## **EUROPEAN COMMISSION**

DIRECTORATE-GENERAL REGIONAL AND URBAN POLICY Operational Efficiency and Central Europe Hungary Head of Unit

> Brussels, 23/01/15 REGIO F.5 ZZ

Dear Mr Szalóki.

Subject: Budapest ring road M0 tolling and Metro 4 related measures including congestion charge

I am writing to once again raise the subject of the recent HU government decision to introduce tolling of selected M0 sections, namely those that did not involve EU funding. I must admit we were somewhat taken by surprise by the swift pace the tolling took effect which made us wonder whether it has been given all the necessary consideration before final implementation. However this is the responsibility of the Hungarian authorities.

Nonetheless, we would like to be explained the full rationale for such an incremental tolling and its timing as well as whether this has been preceded by any introspection as to the implications this would or could have on traffic patterns in and around Budapest. The sudden introduction of M0 tolling made us also wonder whether the measure is mainly budget driven. We therefore hope that you will contradict this by elaborating on the overall transport concept and the strategic justification behind this decision.

Moreover, we would like to learn whether a parallel introduction of a toll and a congestion charge has been at all examined. As you are aware, according to the Decision granting EU support to Metro 4, a congestion charge introduction is one of the measures foreseen among a number of other measures meant to maximize Metro 4 economic benefits. It is again our impression that partial tolling of M0 may result in more traffic towards the Budapest city centre which might have been counter fought by a simultaneous introduction of the congestion charge. Nevertheless, based on the limited information available to us we are in no position to judge ourselves whether such a move would have been indeed a rational policy measure and whether the timing was right. This is why we rely on you to elaborate further on the above and to inform us also of the latest HU undertakings towards a possible introduction of the congestion charge.

On the related issue, let me also use this opportunity to ask you to inform us on the current status of all other measures to accompany Metro 4 as listed under point 3.6 of the Annex 1 to the Decision which are all to ensure the inter-modality and interoperability of

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the Metro 4 project as well as its compability with the Budapest Transport Development Plan. We would appreciate learning of the progress made with the implementation of the different measures listed in that Annex.

Finally, we would be grateful for any information you will be able to provide on a possible tolling of other sections of the M0 ring road in the foreseeable future.

I am looking forward to receiving your response to the issues raised above at your earliest convenience.

Sincerely,

Jack Engwegen