

NEWS RELEASES

Managing Congestion In The City Centre

Five New ERP Gantries and New ERP Criteria to Apply To the Central Business District from 7 July

1. To better manage congestion within the city centre, the 5 new ERP gantries along the Singapore River Line will be operational from **7 July 2008**.
2. LTA has also applied the new ERP criteria, announced earlier in the Land Transport Review in January, to the gantries in the CBD area and will be revising the ERP rates from **7 July 2008**.

Operation of 5 new gantries along the Singapore River in the CBD

3. The five gantries on the Singapore River Line will run roughly along the Singapore River from Clemenceau Ave to Fullerton Road, separating the commercial and shopping areas such as the Suntec area from the office-based areas such as Shenton Way/Robinson Road. These 5 gantries serve to reduce through traffic from using the city area for outbound trips in the evening, similar in concept to the Orchard Cordon where ERP was implemented to reduce through-traffic which would otherwise use Orchard Road to get to other areas. Traffic speeds on these roads are below the optimal speed range, based on the revised criteria.
4. The 5 gantries on the Singapore River Line will operate from **6pm to 8pm** on weekdays. Two of the new gantries - namely Eu Tong Sen Street and Fullerton Road (towards Esplanade Drive) - will operate on Saturday from **12.30pm to 8pm**.
5. Please refer to [Annex A](#) for the locations of these gantries.

Bugis-Marina Centre Cordon

6. On Saturdays, the gantries at Eu Tong Sen Street and Fullerton Road (towards Suntec City), together with the existing CBD gantries north of the Singapore River Line, will help to demarcate the Bugis-Marina Centre Cordon as traffic conditions within this cordon have deteriorated below the optimal speed threshold.
7. The Bugis-Marina Centre Cordon will operate from **12.30pm to 8pm** on Saturdays. Please refer to [Annex B](#) for the location of the different cordons.

Application of New ERP Criteria to the CBD

9. As announced in the Land Transport Master Plan in January, the LTA has applied the following new criteria to the existing ERP gantries in the CBD

a. 85th Percentile Speed Measurement Method

The current threshold speeds (45 km/h on expressways and 20 km/h on arterial roads) were set 10 years ago. Today, the threshold speeds are close to the point where traffic flow can deteriorate rapidly into the unstable zone where 'stop-start' conditions become common. In order to create a buffer, LTA will use a more representative method of measuring actual traffic conditions for ERP rate reviews, with speeds determined using the 85th percentile speed measurement method, instead of using average speeds as is done currently. The 85th percentile speed measurement method is also an international traffic engineering practice for assessing traffic conditions. With the revised speed measurement method, motorists will be assured of smooth travel on ERP-priced roads at least 85% of the time;

b. Increase the Initial ERP Charge and Rate Increment

Motorists today are less sensitive to the rate structure which has remained unchanged since 1998. For ERP charges to remain effective in influencing motorists' behaviour, LTA will raise the incremental ERP charge from \$0.50 to \$1. In addition, the ERP base charge, which is the starting charge for a new ERP gantry point, will be increased from the current \$1 to \$2. These changes will improve the effectiveness of the ERP system, so that each time ERP rates are adjusted, motorists who still choose to drive on these roads would see a visible improvement in traffic flows.

Summary of ERP Rate Changes

10. The changes to the ERP rates for the city area, with effect from **7 July 2008**, are tabulated below.

Time period	Current ERP Rates*	Change in Rates*	ERP Rates* w.e.f. 7 July 2008
CBD (week days)			
12noon – 12.30pm	\$0.50	Increase by \$0.50	\$1.00
2.00pm – 3.00pm	\$1.00	Increase by \$1.00	\$2.00
6.00pm – 6.30pm	\$2.00	Increase by \$1.00	\$3.00
6.30pm – 7.00pm	\$1.00	Increase by \$1.00	\$2.00
7.00pm – 8.00pm	\$0.00	Increase by \$2.00	\$2.00
5 Gantries along Singapore River Line (week days)			
6.00pm – 7.30pm	\$0.00	Increase by \$2.00	\$2.00
7.30pm – 8.00pm	\$0.00	Increase by \$1.00	\$1.00

Handy Road (weekdays)			
12noon – 12.30pm	\$0.50	Increase by \$0.50	\$1.00
2.00pm – 3.00pm	\$1.00	Increase by \$1.00	\$2.00
6.00pm – 8.00pm	\$0.50	Increase by \$0.50	\$1.00
Orchard Cordon (Saturdays) excluding Handy Road			
11.00am – 12noon	\$0.00	Increase by \$1.00	\$1.00
12noon – 5.30pm	\$0.50	Increase by \$0.50	\$1.00
Handy Road (Saturdays)			
12noon – 12:30pm	\$0.50	Decrease by \$0.50	\$0.00
12.30pm – 8:00pm	\$0.50	Increase by \$0.50	\$1.00
Bugis-Marina Centre Cordon (Saturdays)			
12.30pm – 8 8:00pm	\$0.00	Increase by \$2.00	\$2.00

* ERP rates per PCU.

Next ERP Rate Review

11 In view of the ERP rate changes to the CBD, there will be no quarterly ERP rate revision in August 2008 for all ERP gantries. The next ERP rate revision will take place in November 2008.

Reduction in Vehicle Taxes

12 In line with our policy to shift progressively towards taxing on the basis of vehicle usage rather than ownership, as earlier announced, the road tax for all vehicles will be reduced by 15% with effect from 1 July 2008. This also underlines the point that the higher ERP charge is to address congestion and not a revenue raising measure. The increase in ERP revenue is about \$70 million a year, while road tax reduction will cost the Government \$110 million annually. If we include the reduction in the Additional Registration Fees (ARF) for cars implemented in March 08, the total cost to the Government is \$310 million a year.

13 Today, about 24 per cent of the total vehicle population of 850,000 vehicles pays ERP daily. Thus, the majority of vehicle owners will not be affected by the ERP changes and will benefit in full from the vehicle tax reductions. Motorists are encouraged to avoid using ERP-priced roads during the peak periods, and will stand to gain more in tax savings should they do so.

[Annex A](#)

[Annex B](#)

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