

Alpnet Workshop  
Pricing and Financing of Alpine Transport  
Infrastructure

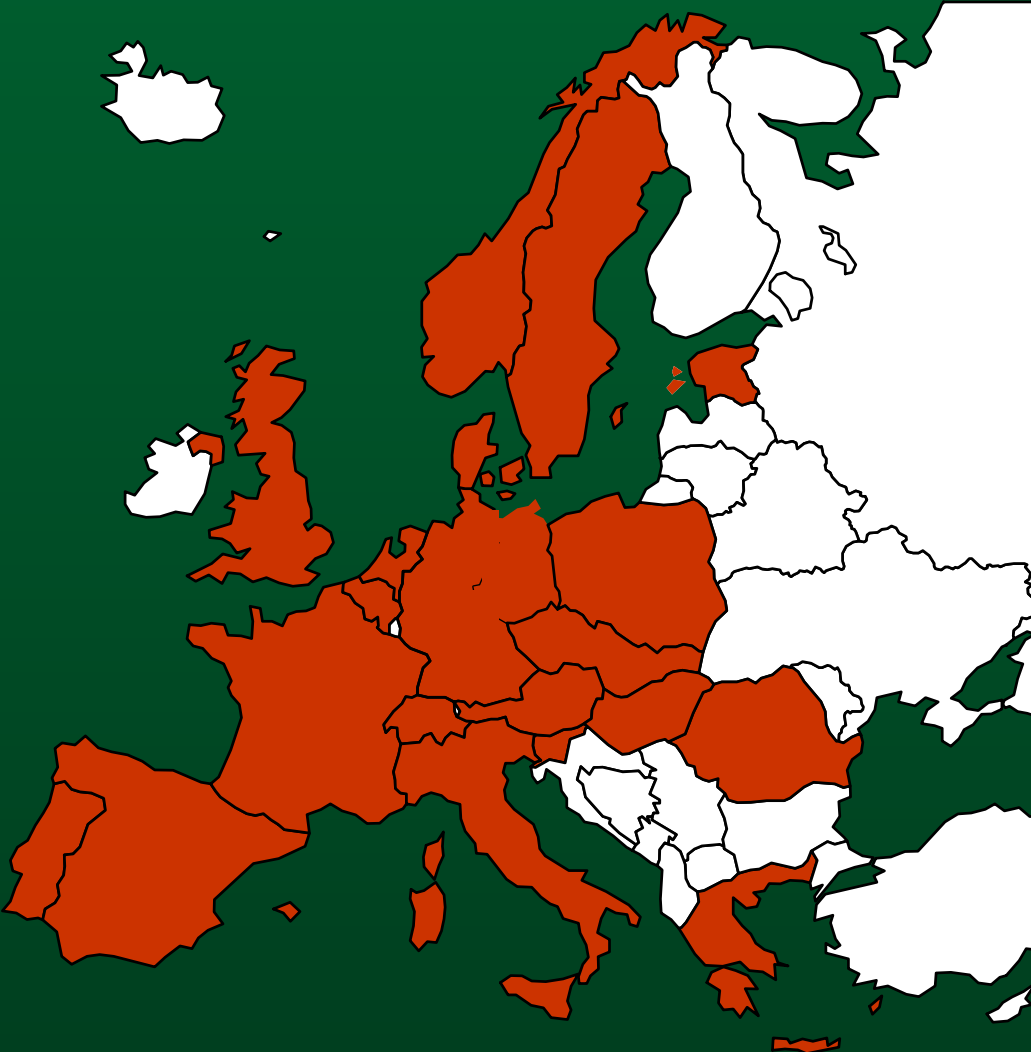
**The use of revenues from road pricing and  
the possibilities for Cross Financing**



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**T&E**

# Europ. Fed. for Transport and Environment



**41 Members  
in 20 countries**

- **European Union**
- **Accession countries**
- **Norway**
- **Switzerland**

# Two Distinct Economic Relationships

## Transport Prices:

- Fair and efficient
- User / Polluter pays
- Internalise external costs
- Improve efficiency
- ...

**MARGINAL  
SOCIAL COST  
PRICING**

## Decision Making on new infrastructure:

- Regional policy
- Transport policy
- Economic policy
- ...

**COST  
BENEFIT  
ANALYSIS**

# Transport Costs that need to be Priced



**Air Pollution**



**Accidents**

**MARGINAL  
SOCIAL COST  
PRICING**



**Noise**



**Congestion**



**Routine upkeep  
and  
maintainence**

# True Cost Benefit Analysis



- Consider reality not perfect competition

- Wider economic impact assessment including :

- Fully specified cost benefit assessment

- Winners & losers identified

- Structural changes

- Short, medium & long term impacts

# Use of revenues

**Earmarking is**

**Inefficient**

**Possibly contraproductive**

**Revenues for the budget**

**For public duties - politically agreed**

**Compensation of other public revenues**

**Earmarking necessary for acceptability**

**As wide as possible**

**Support objectives of fair and efficient pricing**

**Projects with positive assessment**

**Not invent projects to use available money**

## Cross financing from road to rail

- Use revenues where it brings most value: efficiency !  
=> could be rail projects
- Cross financing = more flexibility = more choice = pot. more value = more efficiency
- Integrated assessment required
- Comparison with other projects  
=> transport / non transport
- Contribute to sustainable transport  
reduce impacts, congestion, increase accessibility

# Cross financing in the Alps

## Potentially reasonable

- Alternative to road mode in sensitive areas
- Support modal shift from road to rail
- Protecting the citizens and environment from negative impacts of road freight transport

**BUT: integrated assessment required**

## Not only new links and tunnels

=> Make better use of existing infrastructure, improve cross-border interoperability, combined transport