

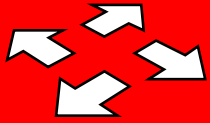


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FPT – A practical example of cross-financing in Switzerland

AlpNet conference, September 12, 2002

Erwin Wieland
Swiss Federal Office of Transport



First part

What is the FPT fund?

Second part

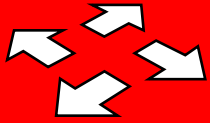
How is the fund replenished?

Third part

How was the fund accomplished?

Fourth part

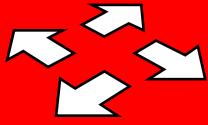
What are its effects?



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The AlpTransit Project

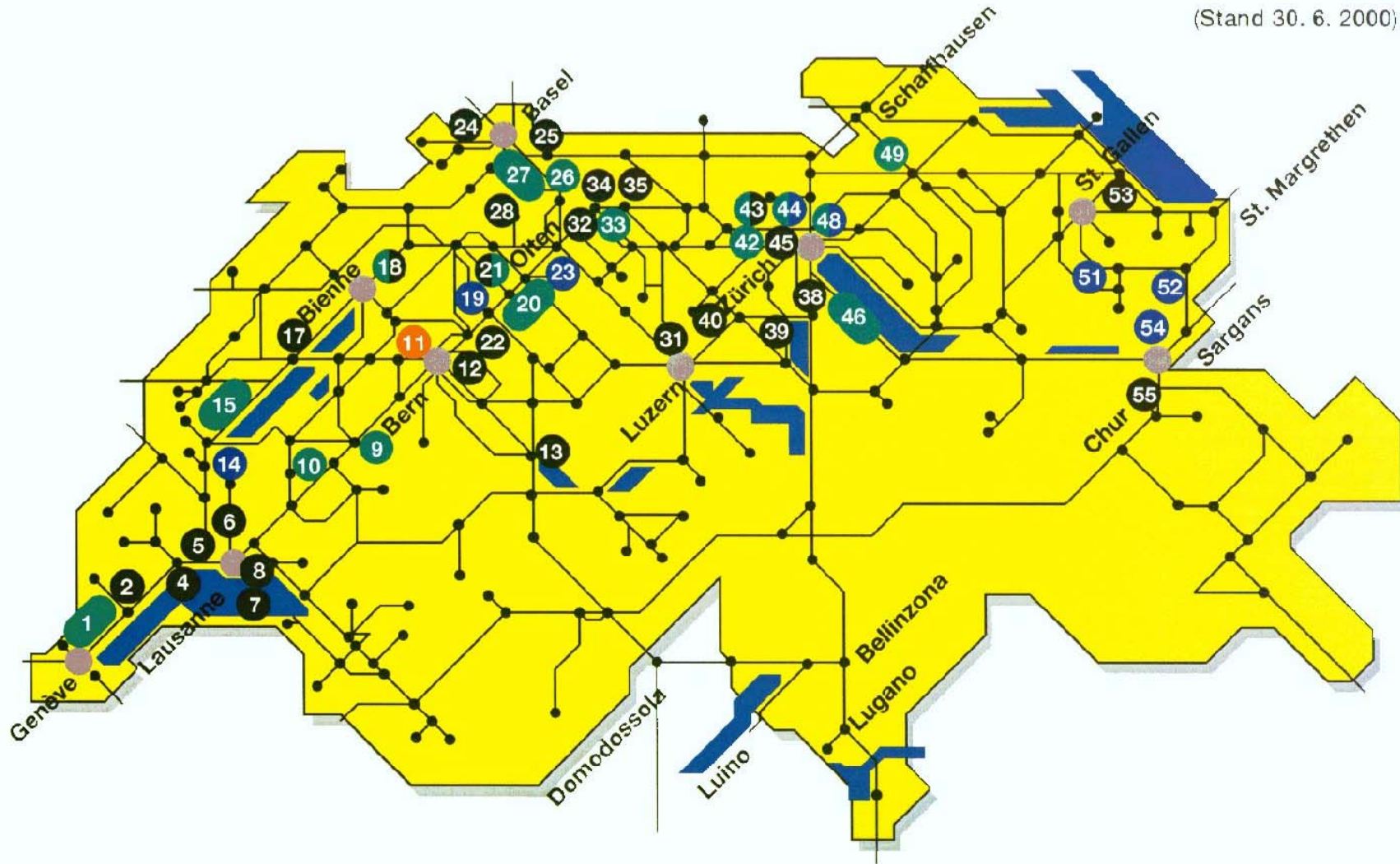


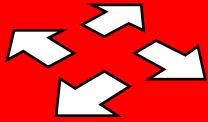


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RAIL 2000, Project Overview

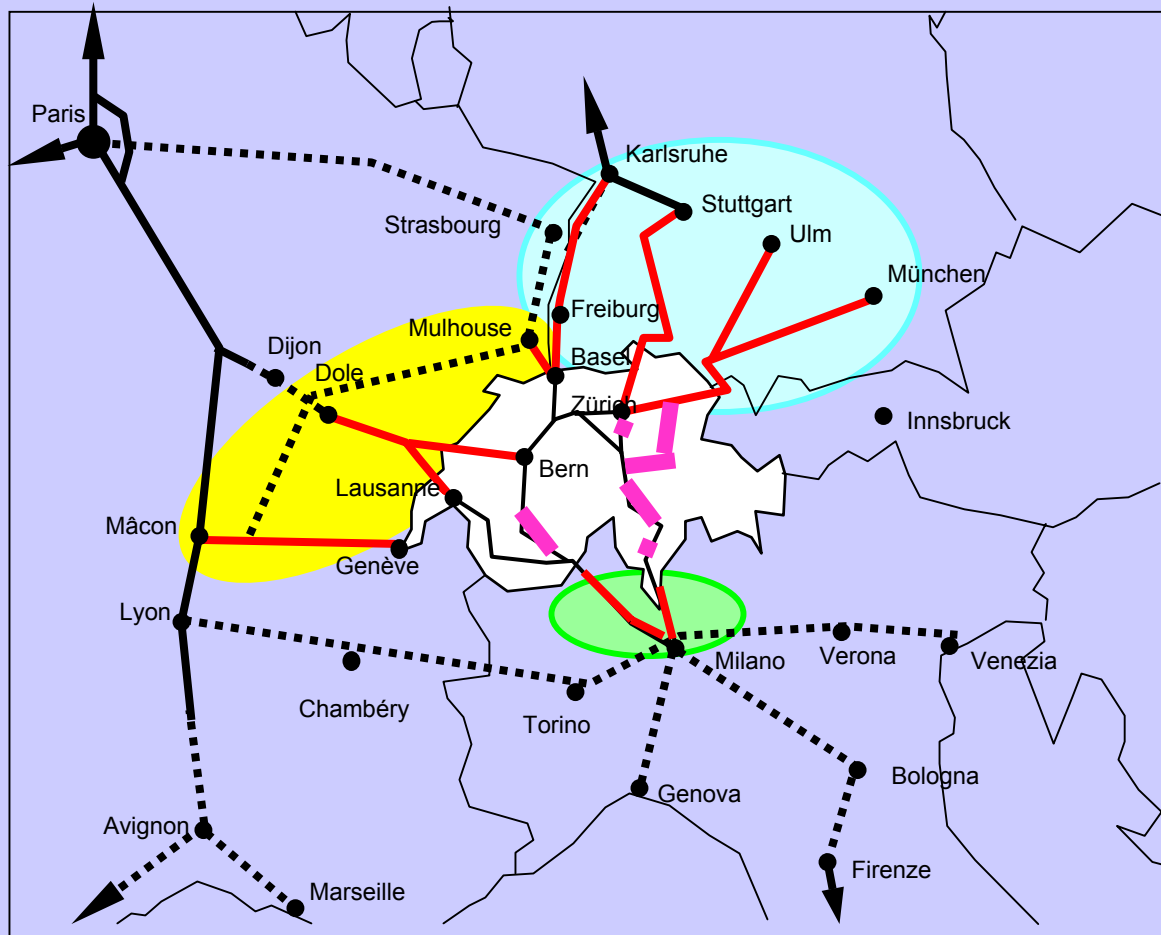
(Stand 30. 6. 2000)



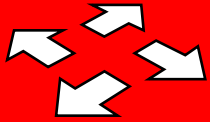


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Connection to European High-Speed Network



- Existing high speed lines (HSL)
- Planned HSL
- NRLA AlpTransit
- HSL connections
- Connections with western Switzerland
- Connections northern/eastern Switzerland
- Connections with southern Switzerland



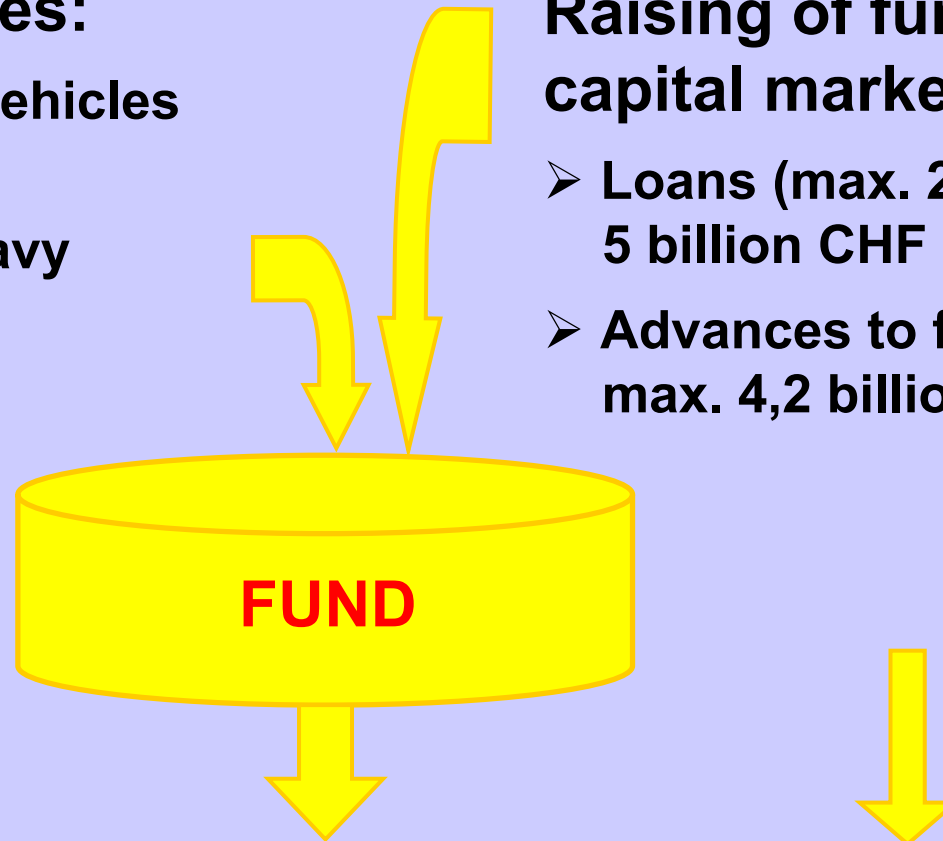
How is the FPT fund replenished?

Earmarked revenues:

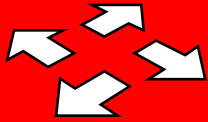
- Flat Tax on Heavy Vehicles
0,7 billion CHF
- Mileage Related Heavy Vehicle Tax
16,0 billion CHF
- Increase of VAT
5,8 billion CHF
- Mineral Oil-Tax
3,0 billion CHF

Raising of funds on capital market:

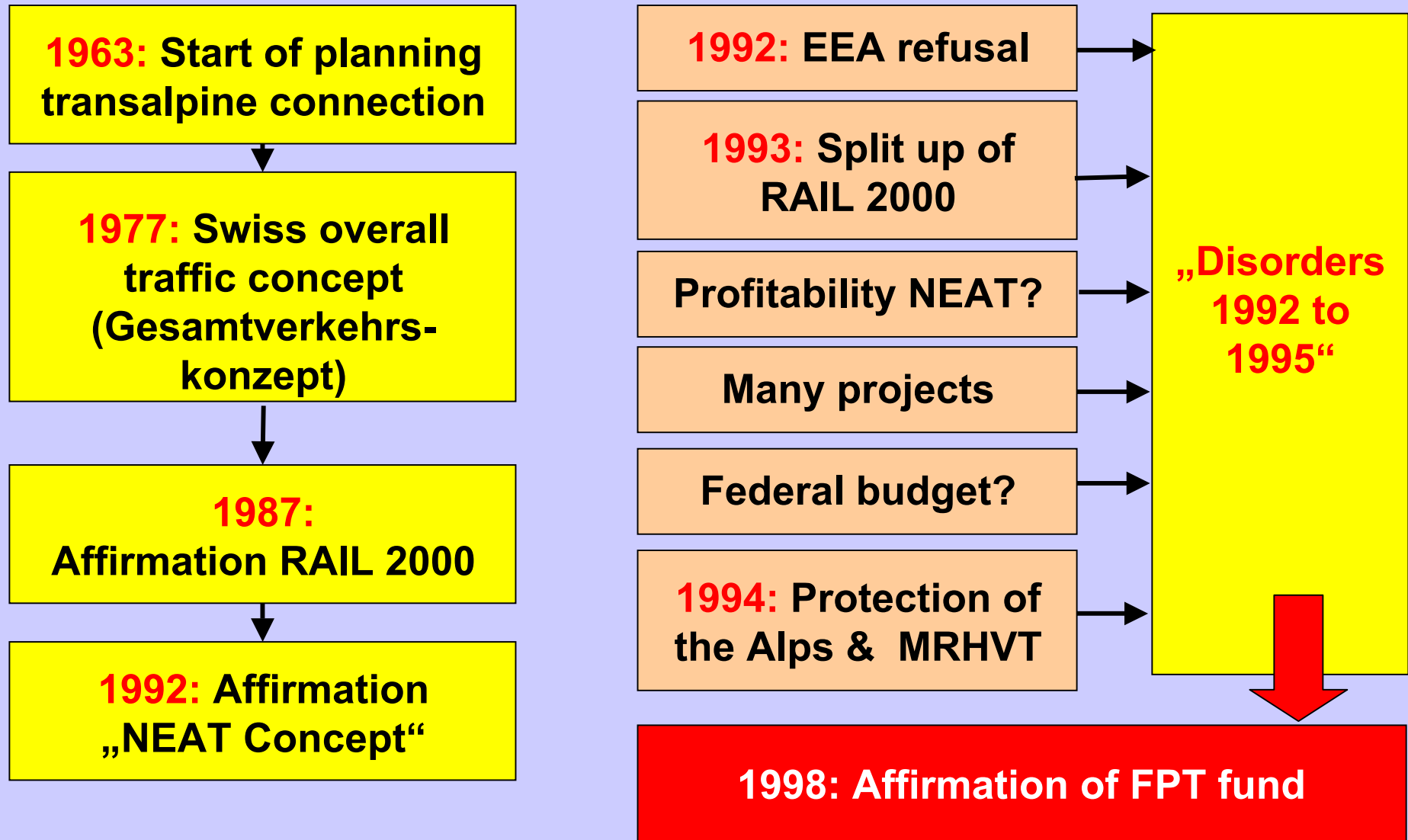
- Loans (max. 25%)
5 billion CHF
- Advances to fund
max. 4,2 billion CHF

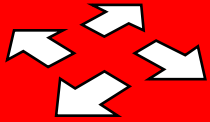


Projects of Railways modernization: 30,5 billion CHF



How was the fund accomplished?





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Demands on the new instrument

„Abundance“



Few „new“ taxes

Short-term availability



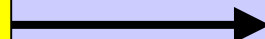
Costs already accrued

Link to transport policy

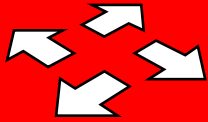


Traffic transfer policy (modal shift)

Political acceptability



Referendum



Prerequisites for acceptance

Areas of conflict

**Priorities between
state expenditures?**

**Out of budget
process!**

**Prerequisites
for acceptance**

Fund is temporary

Defined projects

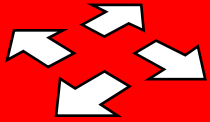
Financial resources distributed via budget

Budget authority remains with parliament

Transparent flow of financial resources

No over-indebtedness of the fund

Financing of roads assured



Conclusion and prospects

1st FPT fund is a success story

-> The prerequisite for financing large scale projects

-> Temporary; defined projects; own financing sources

2nd It grew „organically“

-> Political will; support by the people

3rd Clear rules are required

-> e.g. Limits for advanced payments, transparency, controlling

4th There are more cross subsidies

-> e.g. Compensation for combined traffic; urban traffic