Summary

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Definition of the problem

Since the 1990's, the approach to accessibility problems in the Netherlands has to a significant extent become the responsibility of local authorities. Examples include the parking fees charged by municipal authorities and the *Brede Doeluitkering* (system of block grants allowing local authorities more freedom when spending central government money). Recently, the government also decided to implement a national per-kilometre road-pricing scheme. This new economic instrument will play an important role in national transport policy. Against this background, the Ministry of Transport, Public Works and Water Management asked KiM the following question:

In addition to the planned national road-pricing policy, are there also other opportunities for economic instruments in transport policy at a regional level?

Interpretation of the research question

KiM interprets 'national road-pricing policy' as the implementation of the per-kilometre pricing scheme. The study concerns the effectiveness, efficiency and acceptability of economic instruments in regional transport policy, on the assumption that a national per-kilometre pricing scheme will be implemented. Other characteristics of the national road-pricing policy will not be considered limiting conditions. These factors include not making car driving more expensive overall, and implementing a homogeneous approach.

The term 'economic instruments' refers to measures that influence the behaviour of the public, businesses and local governments by changing their financial circumstances.

Regional economic measures are often effective and efficient
The study shows that economic instruments in regional transport policy
often have positive effects on accessibility, quality of life, safety and
prosperity. This particularly applies to measures aimed at 'travellers'
and 'local governments and authorities'.

However, there are also negative effects. The deployment of economic instruments in regional transport policy can cause policy competition between local governments and between local and national governments. These regional economic instruments can also reduce support for the national road-pricing policy. These effects can be limited by imposing conditions on the regional policy (for example maximum tariffs) and by testing new regional plans against the background of the national road-pricing policy and existing regional policy ('accumulation test'). Support can be increased by using financial revenue to achieve transport objectives.

Extending paid parking is a very effective measure to reduce the time spent looking for a free parking space and to reduce the (walking) distance between the parking space and the destination. Furthermore, the extension of paid parking can improve the quality of life in urban areas. Taxing company parking spaces would also have positive effects, but it has limited support and may present legal difficulties.

In addition to the planned national per-kilometre road-pricing scheme, specific regional or municipal fees can be effective and efficient – particularly if they are aimed at improving the quality of life. Possibilities include fees for passing through locations which suffer from traffic, and fees charged when polluting vehicles drive through city centres.

Changing fines for minor offences into local taxes is an effective way of increasing the chance of catching people who have broken the speed limit, with positive effects on the quality of life and road safety. In the case of public transport, replacing general subsidies with vouchers for target groups is efficient and effective.

Furthermore, a better selection of investments improves effectiveness and efficiency. The key factors in this regard are merging budgets to create regional mobility funds, subsidising comprehensive planning methods and performing cost-benefit analyses.

There are also other measures about which more information has to be gathered before their efficiency can be assessed. This concerns the recovery of the costs of accessibility measures from companies via the *Grondexploitatiewet* (Land Exploitation Act) or a betterment levy, and a contribution to transport costs from employees.

These conclusions are based on an analysis of the advantages and disadvantages of regional economic policy instruments. This analysis related to three types of policy goals: regulating (influencing) traffic, financing other measures such as highways or public transport, and an efficient assessment of investments. Despite the potential positive effects of the above-mentioned economic instruments in terms of effectiveness and efficiency, these measures can also have disadvantages in relation to policy competition and public support.

Policy competition

Policy competition is especially possible in the case of charges that are aimed at travellers. The competition is between different regional governments and with the planned national road-pricing policy. This kind of competition can result in tariffs that are too high or too low. This competition occurs in particular when measures by different local/national government departments have the same goal, focus on the same actions by road users and apply in approximately the same location. The national road-pricing policy consists of a charge per kilometre that is higher in places and at times where there is congestion. Regional congestion charges and cordon charges (implemented in Stockholm, for instance) are good examples of

measures that interact greatly with national road-pricing policy. There is less policy competition in the case of charges that are aimed at improving the quality of life. Parking policy results in policy competition with other regional economic instruments such as congestion charges, as both types of measures are aimed at journeys in and to urban areas. In general, limiting conditions and an accumulation test for new regional measures can reduce policy competition.

Lack of public support

A lack of public support can be a problem for almost all of the instruments studied. This study outlines some possible ways to formulate measures such that public support will increase.

Measures with less positive evaluations

City-centre congestion charges (as have been implemented in London) seem less suited for the situation in the Netherlands because the major congestion problems occur on motorways.

In the case of 'park management' for industrial estates, business will not necessarily make financial contributions to ensure accessibility. The promotion of working from home seems to be more effective on a national scale than at regional level. Subsidising digital offices (call centres) is not effective because there are already sufficient financial incentives for companies in the form of cost savings.