

**Summary:**

# **Strategic and comprehensive decision-making?**

In 1993 a government appointed commission (Holler-utvalget) recommended the introduction of a more goal and result-oriented planning system in the transport sector. The ensuing parliamentary white paper (St.meld. 41 1993-94) also emphasised that the system governing the sector should ensure political influence and control over strategic decisions.

These principles were introduced in the National Road and Road Transport Plan (1998-2007) and further developed in The National Transport Plan (2002-2011). The latter brings all four transport modes (road, rail, air, sea) together in one common planning document.

The aim of this report is to investigate whether the change from four separate sectoral plans to one common plan has contributed to a more strategic and comprehensive decision-making on the political level. The report also address whether the plan functions as an appropriate basis for decision-making in the political process, and if the methodology and structure employed in the plan are judged to be an improvement over the former sector plans. The report is based on interviews with members of the parliamentary Standing Committee on Transport and Communications

In The National Transport Plan (NTP) the main political options are structured into four alternative strategies: Efficient traffic flow, Increased traffic safety, Reduced environmental degradation and Regional growth. The government also outlines a recommended strategy. The Transport Plan present the main impacts of the four policy options and the recommended strategy and compares them with a reference strategy (results of no policy change). On this basis the Parliament is invited to make strategic decisions on infrastructure policy.

Policy areas such as the main transport corridors, transport in the regions and the metropolitan areas are presented in separate chapters. Policy measures like tendering, organisation, efficiency and finance as well as traffic safety issues are also discussed, and Parliament is invited to express their opinion on these issues.

The planning methodology is intended to give Parliament a basis for strategic comprehensive decisions across the four transport modes.

## **What does strategic and comprehensive really mean?**

### *Less details*

Most members of the Standing Committee on Transport and Communications interprets “strategic” to mean “not to be involved in details”. Details being smaller investment projects or projects which does not have significance for transport policies on the national level. Only one political party tried to influence the prioritising of projects on regional roads.

### *Sectoral policy measures*

Several committee members also view “strategic” to imply decisions that affect the future freedom of policy action. Public Private Partnerships, the introduction of road pricing, the organisational structure in the transport sector, the use of competition and tendering and the distribution of responsibility between the state and the local level are viewed as measures on a strategic level.

### *The distribution of resources between the different transport sectors*

The MPs define “comprehensive” to be the redistribution of resources between sectors. They are aware of the interdependencies between the sectors and feel that resources should be used on those measures which deliver the largest gains, regardless of transport mode. However, since the plan does not provide them with a basis for comparing measures across sectors, they are uncertain about the effects of redistributing resources. If they were to make any changes, they would have to rely on their political judgment.

In addition, some committee members maintain that “comprehensive” implies that the distribution of resources between investments, maintenance and operations of infrastructure and subsidy of public transport should be judged in one common framework.

## **Does structure and choice of methodology provide a basis for strategic and comprehensive policies?**

### *Simultaneous process is an advantage*

All committee members view a simultaneous hearing of the different sectors as a major improvement. There are no specific measures or analysis they miss as a basis for making comprehensive and strategic judgments of the transport policy.

However, many committee members feel that the potential for transferring traffic from road to sea should have been more thoroughly addressed in the plan. Some members also wish for a more thorough review of the investment plans of The Civil Aviation Administration and The National Coastal Administration.

### *Public transport should be given more attention*

The committee also feels that public transport should be treated as an integral part of the transport policy, on par with the four sectors. However, members have different views on the level of state vs. local influence on local public transport policies, something that also affects their view on how thoroughly public transport

should be treated in the national plan. Still, most members wish for a comprehensive discussion of the division of responsibilities, organisation and financing of public transport in The National Transport Plan.

*Politicians are critical to the structure and methodology in the plan*

Many view the plan to be full of repetitions and overlapping treatment of different aspects. The fragmented treatment of public transport and the presentation of the investment programmes in several places (transport corridors, metropolitan areas, transport in the regions) contributes to this. Some feel that this in itself made it difficult for the committee to adopt a comprehensive perspective.

The committee members are critical to the way transport corridors are used to present infrastructure investment projects. Some investment projects are in fact discussed in three separate places. Of these, the description of measures within transport corridors is a new and unfamiliar method, and is therefore judged to be superfluous.

*The alternative strategies and impact assessment did not provide relevant input to the political process.*

With the exception of one political party the committee has not made use of the plan's alternative strategies and impact assessments in the political process, either in their own party or in deliberations in the committee. In the committee members view, the alternative strategies does not serve to illustrate the policy options being politically viable. The strategies do not show how measures can be utilised to reach transport goals, as the intention was, and are viewed as too "technical".

Several members also criticise the impact assessments in the plan. This is partly due to scepticism to cost/benefit based results in general. Others doubt whether all relevant factors are included in the analysis. A common reaction is that politicians must make use of their own judgment, when considering the issues. In sum, the use of alternative strategies and impacts assessment in the manner it has been used in this process, have not contributed to the committee making strategic political decisions or adopting a comprehensive perspective, spanning all transport sectors.

Only one committee member have used the impact assessments of the recommended strategy, but primarily to argue for giving priority to the road sector if the investment budget was increased above the level proposed by the Government. He has not used the impact assessment to alter the allotments within the recommended strategy.

*Politicians pose other question and seek different answers*

When the budget was increased, most committee members relied on their "political judgement" when deciding which transport mode was to receive the largest increase. The model-based impacts assessments in the plan played an insignificant role in this process.

Their views, aims and perspectives are formed through other processes than the technocratic national transport planning process. They base their judgement on previous experiences, the political goals of the party and the views of interest groups whose views they sympathise with.

Still, many committee members call for policy impacts assessments systems that can compare effects across the transport modes. In our view this does not mean that the committee wishes to allocate resources strictly based on marginal cost/benefit, but rather that comparable impact assessments will provide some professional assurance that the committees decisions in fact does produce benefits.

One committee members express the viewpoint that impact assessment is suitable when considering individual measures (road links, upgrading etc) or individual investment packages. Aggregating impacts on a national level is, in this committee members view, less useful.

When asking for impact assessments, many committee members mean other types of assessments than the plan provides. They wish to know the effect of more general political measures. They are often in doubt whether the measures within their jurisdiction actually contributes to transport policy goals being met. The questions they ask are: What does it take to increase the market share of public transport? Will the measures we control have any effect, and will we dare to use the measures with sufficient force to actually achieve a higher market share for public transport? How do we reduce the growth in road traffic? What do we really gain by investing heavily in railroads? The committee members feel that the current plan does not provide them with answers to these questions. These questions, which together with themes such as competition and tendering, the organisation of the sector and Public Private Partnerships, are pointed out as the most important political questions.

## **Political influence and control**

Most opposition parties in the committee criticise the priorities in the government's recommended strategy. However, it was only after the investment level was increased further, that the parties managed to "put their stamp" on the investment programme. The government's recommended strategy was left untouched. Some committee members refers to the strict economic limitations in the recommended strategy as an explanation. Others use words and phrases that imply a kind of impotence. They felt it was difficult to discern which strategic priorities the recommended strategy was based on, and it was too complicated to start changing priorities within the recommended strategy. If this is because the committee finds the decision material inadequate as a basis for altering priorities within the recommended strategy, this might point to a serious systemic problem.

The above implies that it might be necessary to consider whether the National Transport Plan should be adjusted so that it serves as a more suitable input to the political process. Further sophistication of the "technical" methodology currently employed will not solve the problem. The plan must allow for the characteristics of the political process such as they are, and not how a technocratic rationalistic approach prescribe the process to be. This implies a comprehensive evaluation of the planning and decision-making system in the sector, including the relationship between politics and professionals, between Parliament, the ministry and the transport authorities. This is beyond the scope of this project. We limit ourselves

to presenting a few recommendations for improving the decision material, within the scope of the current National Transport Plan:

**1: Define the goals**

The main goals of the transport policy (efficient traffic flow, reduced environmental degradation, increased traffic safety and regional growth) should be made more operational, although not necessarily quantified. The National Transport Plan should address the conditions and possibilities for reaching these goals (for example by reducing the growth in road transport, increase public transport market share in the metropolitan areas etc.) The plan must also point out the contribution infrastructure investments can make in reaching these goals, and to what degree other measures have to be used.

**2: Show the effects of different measures**

More emphasis should be placed on analysing the effects of different measures – both general sectoral measures, and infrastructure-related measures. The plan should for example discuss the most effective combination of traffic safety measures, the optimal distribution of resources between investment, maintenance and operations etc. Addressing policy measures in a fragmented and overlapping manner, as public transport was addressed in this instance, should be avoided.

**3: Emphasise cross-sectoral issues by using a regional level as basis for the analysis**

Measures in the sector, including infrastructure measures should be addressed in a cross-sectoral fashion, independent of the transport modes. As in the current National Transport Plan, metropolitan areas should be one basis of analysis. Other parts of the country could be addressed by using functional regions (coherent economic and settlement regions) as the basis for analysis. The analysis should include future challenges, the development of integrated transport policies, the degree of competition among modes and the effect of establishing multi-modal transport nodes. In addition the main transport corridors should be subject to analysis, establishing a connection between regions and metropolitan areas. In order to limit overlap, the individual presentation of investment programs for the different modal sectors should be kept to a minimum.

**4: The recommended strategy and subsequent impact assessment should not be limited to infrastructure measures**

The recommended strategy should portray the total policy recommendation, not limit itself mainly to infrastructure. It should address both general and specific preconditions for transport policy in the planning period. This includes the use of dues and taxes, speed limits, increased traffic surveillance etc. This should form the basis for analysis of policy effects. The analysis should also be made at the regional level, not only at the national level. The national effects should be analysed with regards to attainment of national politically defined goals.

**5: Demonstrate the degree of measures needed to maximise different goals**

The plan should also include a discussion of options for changing the recommended strategy in order to reach different politically defined goals. In our view this should not be presented as alternative strategies and model based impact assessment, but rather as an analysis of the effects of using measures in varying

strength. This could include the use of further restrictions on speed limits, heavier traffic surveillance, increased technical checks, increased the level of maintenance and operation or altering the priorities in the investment programmes, within the limits of the Cabinets recommended strategy.