The Working Group looked into questions concerning the funding of the transport infrastructure and drafted a proposal for a stepwise path to developing the funding of transport infrastructure services. The Working Group has focused primarily on the funding of services intended for road and street traffic, but funding for rail traffic has also been discussed.

Rather than referring to the transport infrastructure, the Working Group has opted to talk about the funding of transport infrastructure services. The concept comprises the service, maintenance and development of transport infrastructure as well as the supervision and control of traffic. At the same time, it captures the essence of infrastructure production as a matter of providing a service to customers.

The Working Group’s objective has been to set out a development path leading to a mechanism for funding transport infrastructure services that in socio-economic terms is both efficient, transparent and fair. The attainment of this objective will at once bolster the efficiency of the whole transport system and ultimately enhance the well-being of individual citizens, business companies and the public sector.

The funding of transport infrastructure services is an ongoing process that runs from the long-term policy lines of maintenance of transport infrastructure to funding sources (pricing and taxation) and budgeting methods (budgeting basic transport infrastructure maintenance and development) and further through to general models of transport infrastructure maintenance (total funding and life-cycle responsibility) and the standard of services provided, then looping back to decision-making on policy lines. The links in the chain with the greatest development potential are the pricing and taxation of transport. They also offer the best opportunity to steer transport in line with the general objectives of transport policy. Indeed the Working Group has singled out the development of transport pricing and taxation as a key means of funding and steering.

In its development proposal for the funding of transport infrastructure services, the Working Group has adopted a stepwise model in which the preceding stages provide the foundation for implementing the subsequent stages. The stepwise model is applied primarily to developing the funding of road traffic: from taxes aimed at steering behaviours and from the development of budgeting for basic maintenance of transport infrastructure, the next step is to proceed to tax-like charges and ultimately to pricing based on geographical positioning. The funding of rail infrastructure services will only be developed in the first stage. It is estimated that the whole development path can be covered within the space of some 15 years. The Working Group’s proposal is based on the assumption that fiscal taxes will be substituted by new fixed and variables charges without any significant change in the overall burden placed upon the transport service user.

Keywords
Transport infrastructure services, transport infrastructure, funding, transport pricing

Miscellaneous
Contact person at the Ministry Jari Kauppila

Serial name and number
Publications of the Ministry of Transport and Communications 6/2002

ISSN
1457-7488

ISBN
951-723-449-X

Pages, total
66

Language
Finnish

Price
12 €

Confidence status
Public

Distributed by
Edita Plc

Published by
Ministry of Transport and Communications