



Overview Effects Infrastructure (OEI)

- guidelines for assessment -

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Outline presentation

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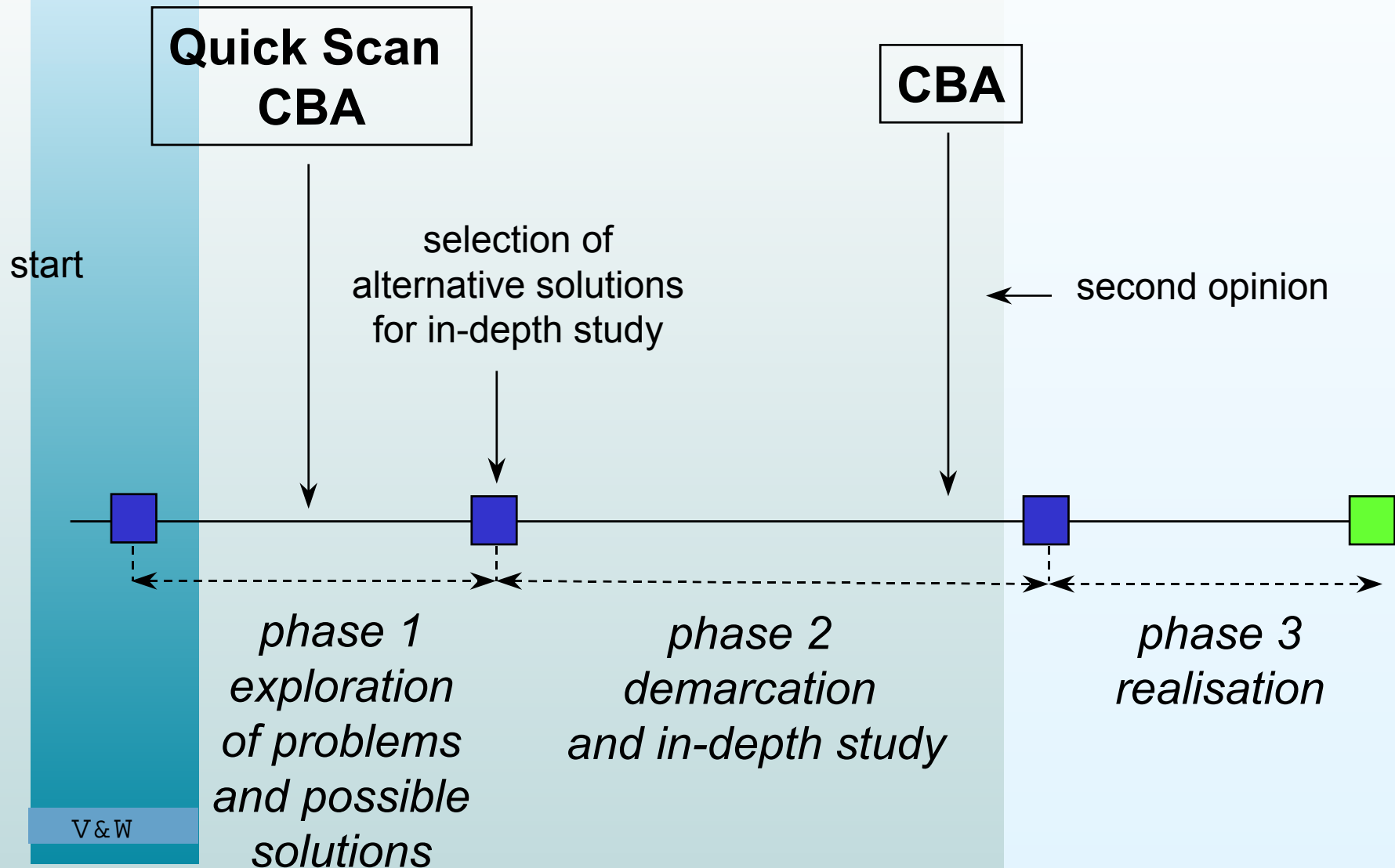


1. Explanation of OEI

- OEI = Overview Effects Infrastructure
- Based on social cost benefit analysis
- All relevant impacts, including
 - effects on road safety
 - distribution effects
 - non-monetary, quantitative and qualitative information
 - uncertainties in costs and benefits
- Compulsory for large, national transport infrastructure projects
- Compulsory in two phases of the decision making process



Two phase approach national projects





2. Contents of the guideline OEI

- Explanation social cost benefit analysis as a framework for an integrated and transparent description of effects
- Definitions of various kinds of effects
- Description of methods and models for calculating effects
 - possibilities and limitations
 - no compulsory methods / models
- Global indications of the size of effects related to
 - different market situations
 - different kinds of projects
- A clear and uniform format for presentation of costs and benefits



Example	unit	Impacts in 2030 different from base case			Net present value 2005 - 2100 different from base case in million euro		
		alt 1	alt 2	alt 3	alt 1	alt 2	alt 3
Benefits							
Direct effects							
<i>Users: reduced travel time</i>	hours (x 1mln)	4,5 - 6,4	4,9 - 7,3	7,6 - 9,7	1,3 - 1,9	1,5 - 2,2	0,7 - 1,4
<i>reliability, comfort</i>	+/-	++	+	++	++	+	++
<i>Providers: revenues</i>	veh km (x 1mln)	220 - 350	890 - 1.250	1.140 - 1.600	0,4 - 0,8	2,3 - 3,4	2,8 - 3,9
<i>Congestion: reduced travel time</i>	hours (x 1mln)	0,6	0,7	1,1	0,1	0,1	0,2
<i>others</i>							
indirect effects							
<i>efficiency: employment</i>	jobs	110 à 210	-320 à -540	-530 à -990	0,6 à 1,0	-0,2 à -0,4	-0,3à -0,6
<i>international distribution</i>	jobs	1.360 à 2.390	1.360 à 2.390	1.360 à 2.390	0,6 à 1,0	0,6 à 1,0	0,6 à 1,0
external effects							
<i>safety: victims</i>	lethal	-12	-12	-10	2,3	2,3	1,9
<i>environment</i>	hectares	181	62	175	-?	-?	-?
other benefits							
<i>(CO2, Nox, noise, etc)</i>	different						
Total benefits							
					5,2 à 6,2	6,8 à 8,6	7,5 à 9,7
					-?,++	-?,+	-?,++
Costs:							
<i>investments</i>	million euro	11,3 à 15,1	8,7 à 10,3	12,8 à 20,0	9,8 à 13,6	7,8 à 9,4	11,1 à 18,0
<i>maintenance</i>					1,2	1,1	1,4
<i>exploitation</i>					3	0,8	3,6
Total costs							
					14,0 à 17,8	9,7 à 11,3	16,1 à 23,0
Balance							
					-8,0 à -12,6	-1,3 à -4,5	-0,9 à +0,4
					-?,++	-?,+	-?,++



3. History

- 90's: national debate:
 - Betuwe freight railway line Rotterdam – Germany
 - High Speed Rail Amsterdam – Brussels
 - 2nd seaport expansion Maasvlakte Rotterdam
 - Expansion Schiphol Amsterdam Airport
- Many reports, experts, methods and opinions on the various types of effects
- Need for guidelines!



- 1998: initiative for developing guidelines by Ministry of Transport and Ministry of Economic Affairs
- Broad group of universities, research institutes, institutes for policy analysis and consultants involved
- 2000 guidelines OEI ready and presented to the Parliament:
 - compulsory application for all large, national infrastructure projects (not laid down by law)
 - compulsory second opinion
- 2002: evaluation of new practice
- 2004 and 2005: new supplements, including a supplement on safety effects (in preparation)



4. Results of 5 years OEI

- Guidelines used for all large transport infrastructure projects
- More uniformity in definitions used
- Lasting, but more structured, discussions on the size of effects and the definition of the base case
- Better quality of policy plans:
 - OEI as an instrument to separate the sheep from the goats
 - OEI as a process tool, leading to project optimisation



- OEI more and more applied to
 - smaller national and regional projects
 - other categories of public investments
- OEI as a basis for evaluation of cross-border projects
 - e.g. Iron Rhine, deepening Schelde waterway
- Further improvements still necessary:
 - further integration of OEI and environmental assessment
 - global quantitative indicators for various types of effects, to be used in quick scan OEI



5. Lessons learned

- Create broad support:
 - universities, research institutes
 - ministries
- Steer a middle course between:
 - too abstract guidelines
 - too many prescriptions
- Legal regulations not necessary, but a clear government's position of vital importance
- Give the proposed instrument a clear position in the decision making process
- Develop a clear and uniform format for presentation of the results



- Emphasize primacy of politics
- Use cost benefit analysis as a process tool during the different phases, not only as a final check just before the final decision
- Exchange experiences gained in concrete projects
- Plan evaluations of the guidelines, resulting in supplements or new versions