



INTERNATIONAL ROAD FEDERATION
FEDERATION ROUTIERE INTERNATIONALE

A Review of Revenue Sources for Roads and Highways



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Tuesday 25 February 2013
UNECE Pre-ITC Road and Rail Financing Conference, Geneva

Better roads, better world.



Outline of presentation

- From traditional to innovative financing and the commercialisation of road assets
- A plea for the use of Smart Technology for Sustainable Mobility



From traditional to innovative financing of roads

- “Traditional” funding for roads:
 - Government funding
 - Allocation of funds decided through political process on annual basis
 - Funding source: general taxes
- Mismatches “traditional” funding?
 - Single source: availability (Crisis & austerity)
 - Planning cycle of roads: 15 years and over
 - No relation between usage and payment



Innovative financing

- Finding other resources and revenues to draw from
- Commercialization of road assets
- Introducing **life-cycle approach**
- Road Funds
 - 1st and 2nd generation
 - Big discussion: earmarking of budgets
 - Other revenues than general taxes, more related to usage
- Private financing involvement



Implications private financing involvement

- Capital sources for private sectors entities:
Equity & loans (domestic and international markets)
- Project finance approach: **performance** of the project counts.



A plea for Smart Technology to change the road financing paradigm



- IRF Policy Committee on Intelligent Transport Systems
- Meetings and exchanges around the globe
- Key messages gathered in Manifesto on Intelligent Transport Systems, evidence based
- Manifesto: positive movement embracing technology to improve quality of life



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Endorsed by global ITS leaders



ARUP



TECNOPEAJE

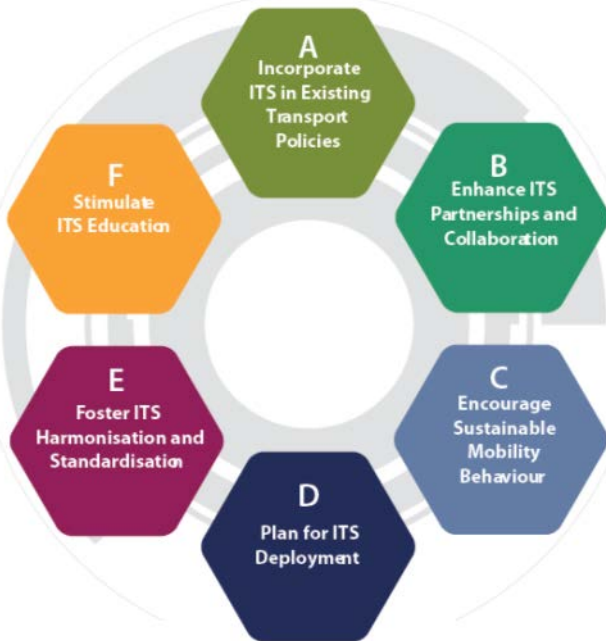
PRC ASSOCIATES
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The Manifesto at a Glance



The role of
Intelligent
Transport
Systems

Challenges to mobility

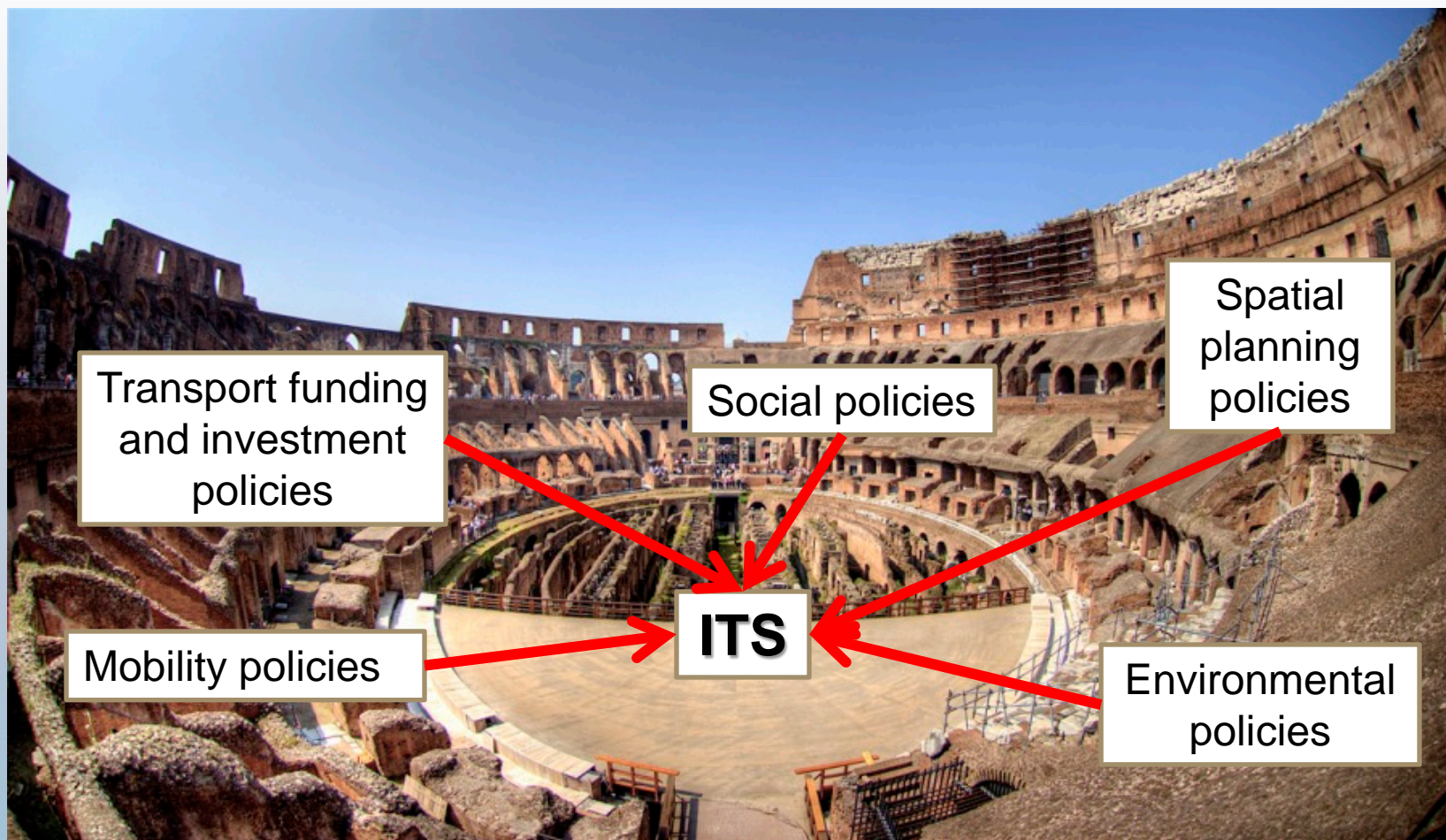


The Key:
**Access to Sustainable
Mobility**
(today and in the future)

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ITS in the Policy Arena





Role of ITS

Environment	Reducing congestion
<ul style="list-style-type: none">• Modifying people's & vehicles' behaviour rather than restricting demand• Encouragement (incentives) & enforcement• Facilitation of greener choices, awareness raising• Monitoring and comparing impact on emissions of traffic management interventions	<ul style="list-style-type: none">• Knowing the performance of road networks• Managing available road capacity• Offering different paradigm for paying for mobility and funding roads• Provision of tailored real time travel information• Supporting compliance to traffic regulations

The Manifesto policy recommendations

- Technology is here; now is the **time to commit**
- Recognise the importance and create **proper policy frameworks**





Summary of recommendations

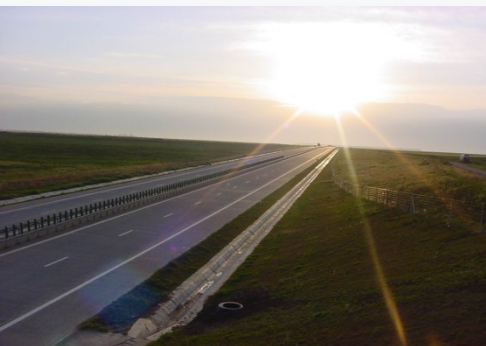


C. Encourage Sustainable Mobility Behaviour

- Translate user pay principle into pragmatic pricing strategies
- Paradigm shift for financing transport investments



Way forward



IRF continues its efforts and commitment by:

- Setting the agenda and addressing the issue at international forums
- Providing a global and neutral platform for discussion
- Joining forces and collaboration with stakeholders
- Supporting national initiatives to address ITS policy



Calendar of Events:



Joint ITS Arab/IRF Workshop “ITS Deployment in the MENA Region”

- 20 March 2013 – Marrakech, Morocco
- In conjunction with IRF Regional Conference North Africa & Mediterranean



IRF Workshop: Key Performance Indicators of ITS Policy

- 25 April 2013 - Brussels, Belgium



IRF Workshop on ITS Policy

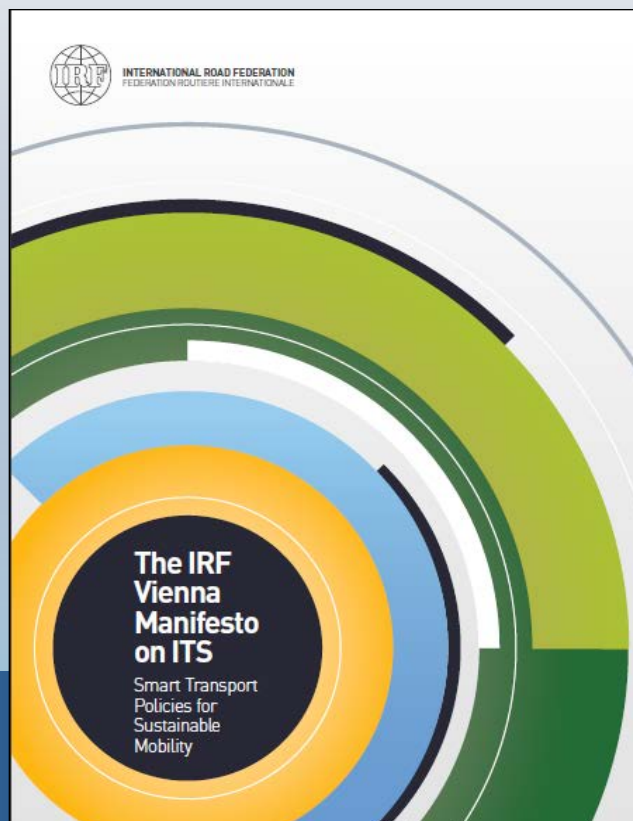
- 11-12 September 2013 – Singapore/Hongkong, China



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Thank you for your attention!

Get your copy of the Manifesto on www.irfnet.ch



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