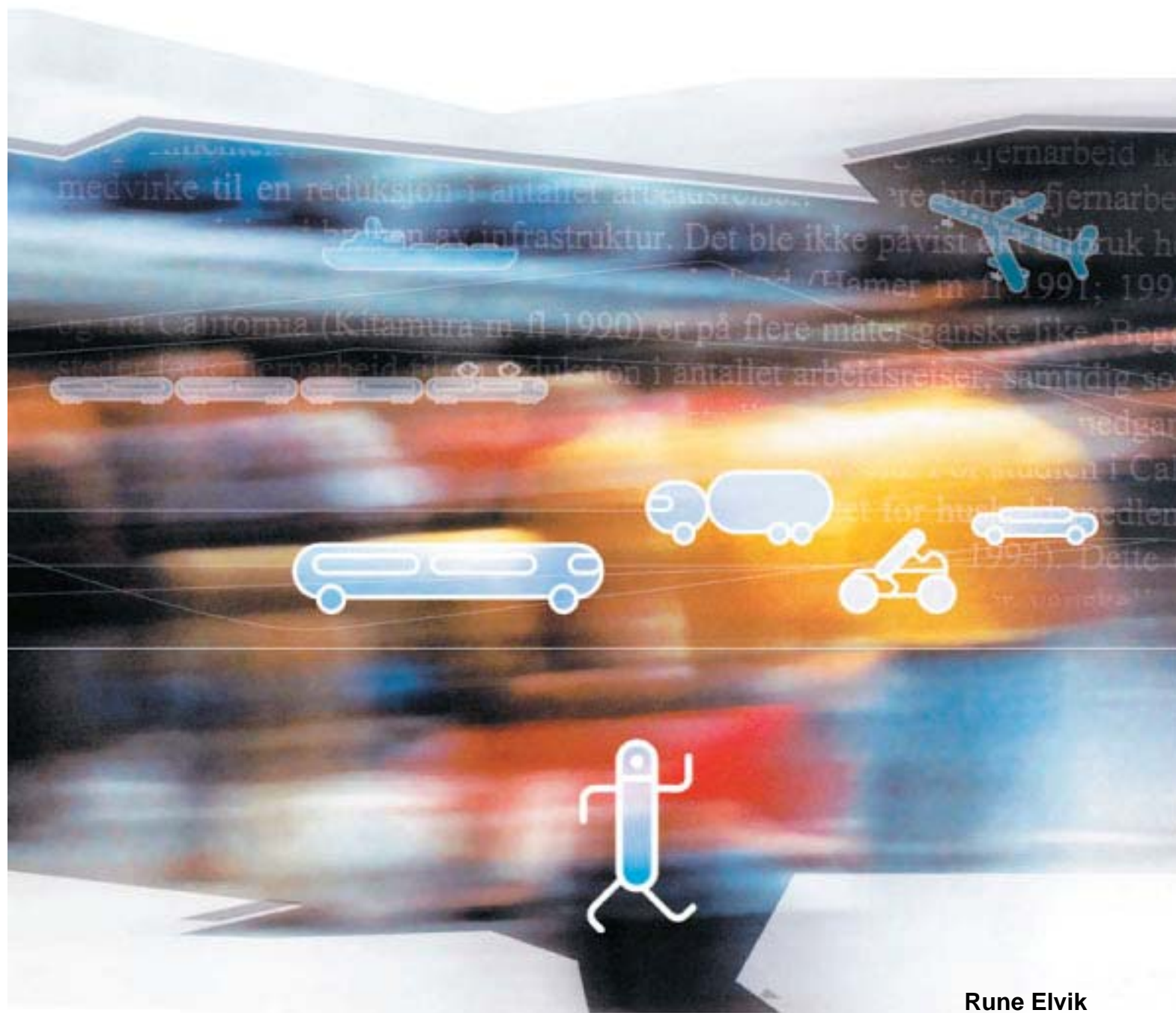


Barriers to the use of efficiency assessment tools in road safety policy



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Rune Elvik
Knut Veisten

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Summary:

Efficiency assessment tools, like cost-benefit analysis, have not been extensively used for the assessment of road safety measures. Increased use of efficiency analysis in road safety policy will improve the selection of economically sensible measures. If these road safety measures are implemented the numbers of fatalities and injuries on European roads will most probably decrease. In this report the barriers to the use of efficiency assessment tools are identified. More knowledge about the effect of road safety measures, more knowledge about what economic valuation implies and better dissemination of results from analyses can all help reduce the barriers.

Tittel: Barrierer mot bruk av effektivitetsanalyse i utforming av trafikksikkerhetspolitikk

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Sammendrag:

Effektivitetsanalyser, som nyttekostnadsanalyse, har ikke blitt mye brukt for vurdering av trafikksikkerhetstiltak. Mer bruk av effektivitetsanalyse i trafikksikkerhetspolitikken vil forbedre utvelgelsen av fornuftige tiltak. Om disse trafikksikkerhetstiltakene blir implementert, vil antallet drepte og skadde på europeiske veger høyst sannsynlig gå ned. I denne rapporten blir barrierer mot bruk av effektivitetsanalyse identifisert. Mer kunnskap om effekten av trafikksikkerhetstiltak, mer kunnskap om hva økonomisk verdsetting innebærer og bedre formidling av resultater fra effektivitetsanalysene kan bidra til at barrierene mot bruk reduseres.

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Preface

Efficiency assessment tools, like cost-benefit analysis, have not been used systematically for the assessment of road safety measures. It is believed that more use of efficiency analysis in road safety policy will improve the selection of cost-effective measures. If these road safety measures are implemented, the numbers of fatalities and injuries on European roads will most probably decrease. This is the basic idea of the Thematic Network ROSEBUD. The task of Work Package 2 (WP2) of this common European research consortium was to identify barriers to the use of efficiency assessment tools.

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Rune Elvik and Knut Veisten are also the principal authors of this report. Charlotte Bax and Paul We-semann (SWOV, Netherlands) contributed extensively during the whole process of surveying and reporting. With Shalom Hakkert and Victoria Gitelman (TRI, Israel), Pierluigi Aloia and Luca Persia (DITS, Italy), Peter Holló (KTI, Hungary), Jaroslav Heinrich (CDV, Czech Republic), Jutta Schneider (UoC, Germany) and Wim Wijnen (SWOV) they carried out surveys and/or wrote drafts for the sections 3.1 and 5.3 (for their respective countries). A total of 83 road safety decision makers and experts from these seven countries participated in the surveying.

A review of an earlier draft of this report was carried out by Nol Verster (Ecorys, Traffic and Transport, Netherlands) and Karine Nyborg (The Frisch Centre, Norway). Head of Department Marika Kolbenstvedt has been responsible for formal quality assurance. Secretary Trude Rømming did the final editing of the manuscript.

Oslo, September 2005
Institute of Transport Economics

Lasse Fridstrøm
Managing Director

Marika Kolbenstvedt
Head of Department

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Summary:

Barriers to the use of efficiency assessment tools in road safety policy

Searching for an efficient path to accident reduction in Europe

Many European countries have set ambitious targets for reducing the number of road accident fatalities. The European Union has a target of reducing the number of road accident fatalities from 40,000 in 2000 to 20,000 in 2010. Efficiency Assessment Tools (EAT) can help policy makers identify the most cost-effective or profitable road safety measures. It is reasonable to assume that more fatalities and injuries could be prevented if road safety policy priorities were based on well-performed efficiency analyses. EAT comprise cost-benefit analysis (CBA) and cost-effectiveness analysis (CEA). CEA sets out from given road safety targets or road safety budgets and rank measures according to lowest monetary costs. It is a method for estimating the € cost of, e.g., one life saved, for a given road safety measure. CBA involves monetary assessment of both costs and benefits of a measure. CBA enables efficiency assessment of both road safety measures and infrastructure investments in which road safety compete with other goals, like mobility and environment. It can thus handle monetary comparison of safety goals with other societal goals. Comparable to the market place CBA provides a weighting of allocations according to “one euro one vote”.

There exist a lot of cases of both CBA and CEA of road safety measures from European countries. However, in most EU/EEA countries EAT are not regularly used in the assessment of road safety priorities. CBA is applied primarily when larger infrastructure investments are considered, but that does not necessarily imply that the safety effects of such projects are assessed monetarily. Countries of the Northern (or North-Western) part of Europe have gone furthest in using CBA as an integrated tool in the decision-making process of the transport sector, especially at the national/state level, also including the monetary assessment of safety effects. For designated road safety measures CBA is relatively less used than CEA. This also applies to lower decision levels, i.e., local/regional levels. In countries of the Southern/Central part of Europe, EAT are generally not applied for the assessment of road safety measures. However, although EAT are more used in the early stage of the decision-making process in the Northern part of Europe, that does not imply that the priorities from the EAT are implemented at the political level.

Identification of barriers

Some of the barriers that may prevent the use of EAT in road safety policy, or prevent the implementation of priorities given from EAT, are identified and analysed in this report. There is an underlying assumption that barriers generally are stronger against CBA than against CEA, although there also exist common barriers against both methods. Thus, although the term EAT is applied, in many cases barriers will relate particularly to CBA. The barriers may be philosophically based, e.g., such that they involve a *fundamental* rejection of the principles of EAT. The barriers may also be related to *institutional* settings, e.g., that existing laws, directives or traditions rule out the use of EAT in decision-making involving road safety. Further, barriers may be related to *technical*, or methodological, aspects of EAT, e.g., that decisive inputs for applying EAT or knowledge about the use of EAT are lacking. Finally, some barriers may be related to the *implementation* of policies, such that even if EAT-based priorities are given from the earlier stage of the decision-making process these may be partly or fully set aside when the final decisions are made. Another distinction can be drawn between *absolute* and *relative* barriers. Absolute barriers are barriers that cannot be expected to disappear as a result of information from the Thematic Network ROSEBUD or other joint efforts of the European research community. These barriers are fundamental and institutional barriers to the use of EAT in planning, in addition to barriers to the implementation of policies based on efficiency analyses. Relative barriers are those that the ROSEBUD project can attempt to influence. These consist primarily of technical barriers and, possibly, some institutional barriers to the use of EAT.

Shedding a theoretical and empirical light on barriers

The identification and analysis of barriers are based on a triple approach. Firstly, existing road safety priorities and decision-making procedures are reviewed for six European countries plus Israel. Three of the countries are situated in the Northern (or North-Western) area of Europe, i.e., Germany, Netherlands and Norway. Four are situated in the Southern/Central (or South-Eastern) area, i.e., Italy, Hungary, Czech Republic plus Israel. These are the countries of the Partner institutions in Work Package 2 of the Thematic Network ROSEBUD. Secondly, a theoretical model of actual policy making and a detailed classification of barriers and sub-barriers is developed. And, thirdly, the results of a survey of decision makers concerning barriers, carried out at both the national and regional/local levels in the seven participating countries, are presented.

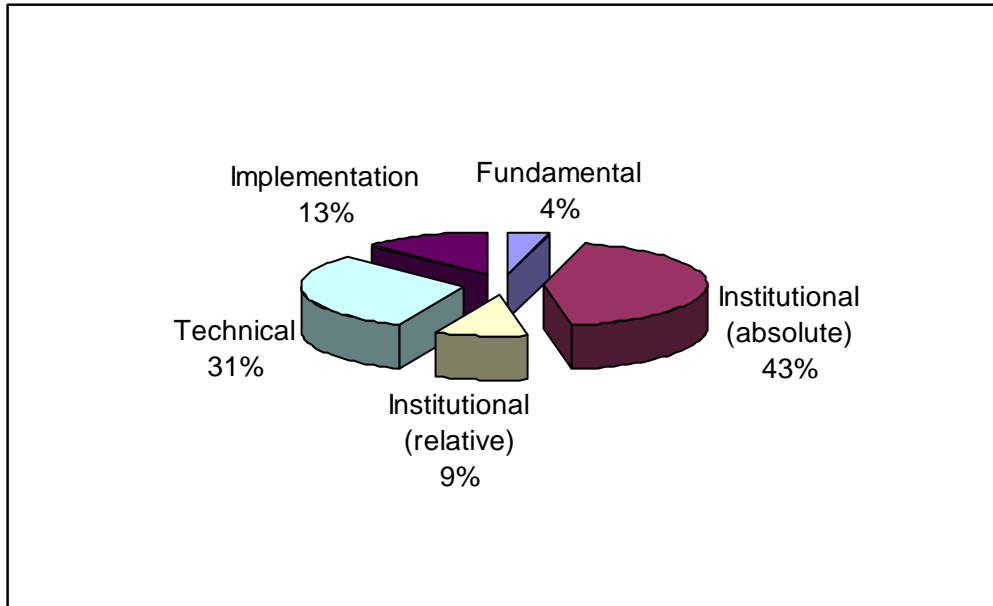
83 European decision makers surveyed

A total of 83 persons responded to the questionnaire, nearly $\frac{2}{3}$ of these representing the national (state) level, about $\frac{1}{3}$ the local/regional level, and some few representing the common EU decision-making level. Half of the respondents were leading their transportation or road safety department, while the others were

mostly middle managers and senior consultants/researchers. Nearly all of them were either making decisions on the priorities of road safety measures or developing methodologies for road safety assessment. About $\frac{1}{3}$ based these priorities or methodologies on EAT. It seems reasonable to state that the sampled individuals are influential in road safety policy formulation and initial prioritisation and decision-making. Only a couple of those surveyed were politicians – involved in the final decision stage, the decision about eventual implementations. It should also be stressed that only 14% were economists – half of the sample were engineers and the rest represented other social sciences, law and planning.

The decision makers pointed primarily to institutional and technical barriers

Based on responses given to a question about the major reasons why CBA or CEA are not always performed for road safety measures, the larger share of stated reasons could be classified as institutional barriers – all together 56%. Most of these are *absolute* institutional barriers. Approximately $\frac{1}{3}$ of the reasons could be classified as technical (methodological) barriers – pointing primarily to the lack of knowledge of the impacts of measures, and, to a lesser extent, lack of monetary valuation of impacts. When we add the small share of *relative* institutional barriers – the lack of workable EAT know how (in the institution), the responses indicating relative barriers sum to nearly 40% (see figure below).



Source: TØI report 785/2005

Figure 1: Distribution of responses to direct question about main barriers to the use of efficiency assessment tools.

Differences between North and South

The clearest difference between Northern Europe and Southern/Central Europe relates to the absolute barriers. In Southern/Central countries there are stronger institutional barriers to the use of EAT in the very initial parts of the decision-making process, i.e., non-recommendation or obscured responsibility related to application of EAT, in addition to lack of resources/tools. In Northern countries the main absolute barriers materialise mostly at the stage between the institutional phase and the implementation phase (political opportunism and conflicts of interest).

The differences between the national and local/regional decision levels are less pronounced, except that political opportunism and conflicts of interest seem to constitute stronger barriers at the local/regional level. The responses indicate that the share of CBA, versus CEA, is lower at the local/regional level. And many respondents indicated that cost assessment at the local/regional level was applied together with purely qualitative judgments of the road safety measures.

There is a need for better knowledge about the effects of road safety measures and their valuation

Application of EAT presupposes knowledge of impacts of the measures that are to be assessed economically. A large part of the interviewees found such a technical barrier to the use of EAT. Where such impact knowledge is lacking, on a global scale or in a specific country (or needs to be adapted to a specific locality), it constitutes a (relative) barrier that road safety researchers can contribute to reduce through their work and cooperation. Responses to other questions in the survey, yielding what we may term *underlying* indications of barriers, support and detail some of the main indications, especially that there is still a large room for improved knowledge about the impacts of road safety measures.

Also the economic methodology (valuation) needs to be enhanced and standardised, according to the respondents' indications of unsuitability, uncertainty and unreliability related to impacts and to the methodology *per se*. A wide range of monetary approaches to transport and road safety assessment are currently applied. While specific value components may very well differ between European countries, due to differences in income or preferences, the methodology as such should not. It is important to clarify what economics is and what it is not. Such recognition will basically help standardise the procedures across Europe. Economics is limited to monetised values, but the extent of such valuations is far broader than what the layman would believe. Some responses could indicate that road safety decision makers lack important knowledge of economic theory, e.g., the normative principles that economic values are based on individual preferences and willingness to pay, hence that monetary values should be applied also to public goods.

The timing of efficiency analysis in the decision making process and the presentation of results may matter

An interesting feature is also the possible (relative) barrier related to the institutional timing of EAT in the decision-making process. We point out that there are two opposite considerations about timing. EAT should not be initiated until a broad survey of potentially effective road safety measures has been performed, so as to ensure that every relevant measure is included. However, what has been indicated by the majority of respondents is the second consideration – that EAT should be initiated as early as possible so as to carry more weight in the final stages of the decision-making. This institutional barrier should be regarded in connection with another (relative) barrier at the implementation phase – the presentation of the efficiency assessment results.

Half of the respondents found it possible (or sure) that results from CBA would be given more weight in prioritising if presented in another manner. Improved marketing/pedagogy was proposed, emphasising especially the number of lives saved by means of profitable measures. Although the CBA result, the benefit-cost ratio, does not display the lives and limbs saved, it is important to clarify that the monetary benefits of road safety measures actually mirror an expected reduction of grief and pain. *Marketing* of efficiency analysis results is not a specific task of road safety researchers (or transport/safety economists), but *dissemination* of research results is such a task. It is important to present the results in a comprehensible way for both laymen and politicians. This will imply both popularisation and plain-dealing. There is no reason to hide the fact that economic efficiency is measured in €. Yet, if a road safety measure or a policy is assessed as economically efficient, it is so precisely because it saves lives and limbs at a reasonable cost.

More efficiency analysis does not imply technocratic institutions

It is important to point out that the institutional barriers, generally deemed to be absolute and more predominant in southern/central countries, may after all not be that absolute. Analogous to other standardisation of product and procedures in the EU one may also imagine a standardisation of the foundation for decision-making of road safety policy in a direction towards more routine use of EAT in road safety policy. Notwithstanding this, the experience in the Northern countries is that use of EAT does not necessarily imply implementation of economically efficient policies.

Aiming at reducing or removing barriers to the use of EAT in road safety policy does not imply a technocratic position that CBA and CEA should dictate public policy (with the politicians as superfluous masters of ceremonies executing the rubber-stamping of the irrefutable truths from the economist clergy). In democratic systems politicians are elected to represent peoples' will, thus being entitled either to follow the priority result from EAT or to come up with something else. Moreover, the alternative to the representative rule would not in

any case be CBA, giving a monetary expression of individuals'/households' will (with "one € one vote"), but referenda – "one man one vote".

The raison d'être of ROSEBUD

The raison d'être of ROSEBUD was a recognition of too little use of EAT in European road safety policy. This comprised some implicit supposition. It was expected that if decision-makers knew more about EAT, about how these methods can/should be applied and about what policy recommendations these analyses yield, the decision-makers would also become more positive towards this approach. This supposition is at least partly supported by the survey results, that indicated both lack of knowledge about EAT and about economics in general – a lack of knowledge that also may be a foundation for a more fundamental barrier. E.g., a substantial part of the decision makers did *not* believe that implementing safety measures based on economic efficiency would reduce the numbers of fatalities and injuries, which is contrary to research results.

This is probably due to a mistaken view of economics as something that is limited to business, budgeting and macro numbers. Such a narrow view of economics makes it difficult to imagine that costly road safety measures could be economically profitable. Even if individuals/households actually trade-off both risk, health and environment against market goods (money) and time use, also through their transport choices, most of them seemingly believe that this has nothing to do with "real economics". Economists regard this differently. They generally recognise that the value of (benefit from) preventing fatalities and injuries, based in large part on individual willingness to pay to reduce risk, will carry such a heavy weight as to render several (but not all) new road safety measures economically efficient. There are not only moral arguments for increased efforts on road safety, but also economic arguments. So far decision-makers have probably been reflecting on the moral problem of the traffic death toll rather than on the economic problem. And then, at the end of the day, they have too often yielded to other transport concerns that are less economically profitable than improved road safety.

Sammendrag:

Barrierer mot bruk av effektivitetsanalyse ved utforming av trafikksikkerhetspolitikk

På utkikk etter en effektiv veg mot ulykkesreduksjon i Europa

Mange europeiske land har satt ambisiøse mål for reduksjon i antall trafikkdrepte. Den europeiske union har et mål om å redusere antallet trafikkdrepte fra 40000 i 2000 til 20000 i 2010. Effektivitetsanalyse kan hjelpe beslutningstakerne til å finne de mest kostnadseffektive eller lønnsomme trafikksikkerhetstiltakene. Det er rimelig å anta at flere dødsfall og skader kunne bli forhindret om prioriteringen i trafikksikkerhetspolitikken var basert på velutførte effektivitetsanalyser. Effektivitetsanalyser omfatter nyttekostnadsanalyse (NKA) og kostnadseffektivitetsanalyse (KEA). KEA tar utgangspunkt i gitte trafikksikkerhetsmål eller trafikksikkerhetsbudsjetter og rangerer tiltak ut ifra lavest kostnad. Det er en metode for å estimere kronekostnaden for, for eksempel, et spart liv, gitt et spesifikt trafikksikkerhetstiltak. NKA omfatter monetær verdsetting av både kostnadene for og effektene/nytten av et tiltak. NKA muliggjør rangering av trafikksikkerhetstiltak og også infrastrukturinvesteringer der trafikksikkerhetstiltak konkurrerer med andre mål, som framkommelighet og miljø. Denne metoden kan dermed håndtere monetær sammenlikning av sikkerhetsmål med andre samfunnsmessige mål. Som i markedet så vil NKA gi en vektning av allokeringer basert på "én krone én stemme".

Det finnes flere eksempler på både NKA og KEA av trafikksikkerhetstiltak fra europeiske land. I de fleste EU/EØS-land er imidlertid ikke effektivitetsanalyser brukt regelmessig ved vurdering av trafikksikkerhetsprioriteringer. NKA er mest brukt ved behandling av større infrastrukturinvesteringer, men det impliserer ikke nødvendigvis at sikkerhetseffektene av slike prosjekter er vurdert monetært. Land i det nordlige Europa har gått lengst i bruk av NKA som et integrert redskap i beslutningsprosessen i transportsektoren, spesielt på nasjonalt nivå (statsnivå), også i det å inkludere monetær vurdering av sikkerhetseffekter. For spesifikke trafikksikkerhetstiltak er NKA relativt mindre benyttet enn KEA. Dette gjelder også på de lavere beslutningsnivåene, dvs. lokalt/regionalt nivå. I land i det sørlige/sentrale Europa blir effektivitetsanalyser i liten grad benyttet for vurdering av trafikksikkerhetstiltak. Likevel, selv om effektivitetsanalyser er mer brukt i den tidlige fasen i beslutningsprosessen i det nordlige Europa, så vil ikke dette implisere at prioriteringene gitt fra effektivitetsanalysene blir implementert på politisk nivå.

Barriereidentifisering

Noen av de barrierene som kan forhindre bruk av effektivitetsanalyse i trafikksikkerhetspolitikk, eller forhindre implementering av prioriteringer gitt fra effektivitetsanalyser, blir identifisert og analysert i denne rapporten. Det er en underliggende antakelse om at barrierene generelt er sterkere mot NKA enn mot KEA, selv om det også eksisterer felles barrierer mot begge metodene. Så, selv om betegnelsen *effektivitetsanalyser* er benyttet, så vil en i mange tilfeller sikte spesielt til NKA. Barrierene kan være filosofisk basert, for eksempel slik at de innebærer en *fundamental* forkasting av prinsippene for effektivitetsanalyser. Barrierene kan også være knyttet til *institusjonelle* rammer, for eksempel at eksisterende lovverk, direktiver eller tradisjoner utelukker bruk av effektivitetsanalyser i beslutninger som omfatter trafikksikkerhet. Videre kan barrierene være knyttet til *tekniske*, eller metodiske, aspekter ved NKA/KEA, for eksempel at avgjørende input til effektivitetsanalysene eller kunnskap om bruken av metodikken mangler. Og noen av barrierene kan være tilknyttet *implementeringen* av tiltak – selv om prioriteringer basert på effektivitetsanalyse er gitt fra en tidligere fase i beslutningsprosessen så kan disse bli delvis eller fullstendig satt til side når de endelige avgjørelser tas. Et annet skille kan trekkes mellom *absolutte* og *relative* barrierer. Absolutte barrierer er barrierer som en ikke kan forvente vil bli borte som et resultat av informasjon fra det tematiske nettverket ROSEBUD eller andre felles innsatser fra europeiske forskere. Disse barrierene er fundamentale og institusjonelle barrierer mot bruken av effektivitetsanalyser i planleggingen, i tillegg til barrierer mot implementeringen av prioriteringer basert på effektivitetsanalyser. Relative barrierer er de som ROSEBUD-prosjektet kan ta mål av seg å influere. Disse består primært av tekniske barrierer og, muligens, noen institusjonelle barrierer mot bruken av effektivitetsanalyser.

Teoretisk og empirisk lys på barrierene

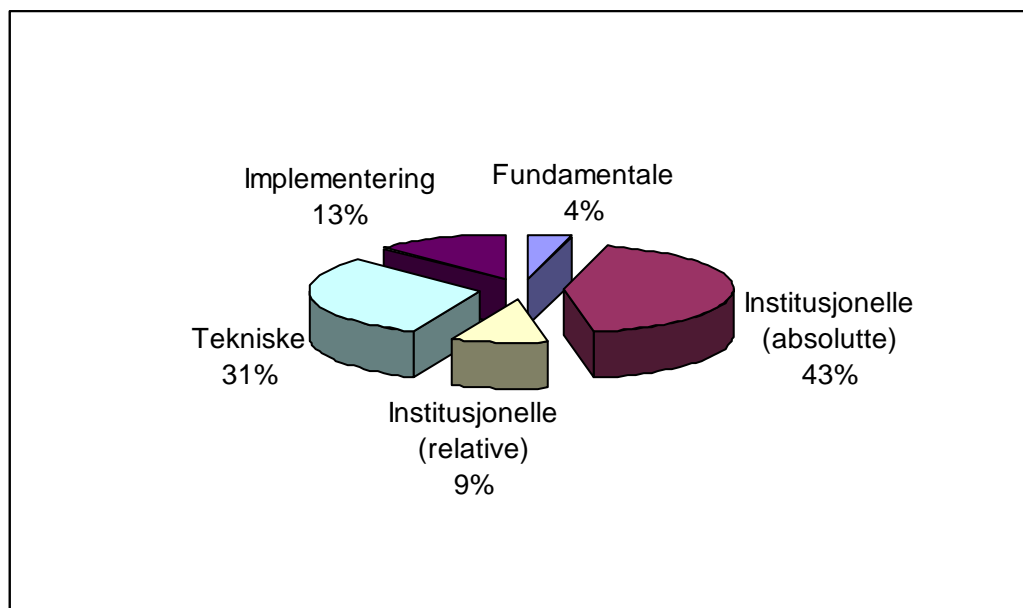
Identifiseringen og analysen av barrierene er basert på en tredelt framgangsmåte. Først blir eksisterende trafikksikkerhetsprioriteringer og beslutningsprosedyrer gjennomgått for seks europeiske land pluss Israel. Tre av landene ligger i det nordlige område av (Nordvest) Europa, dvs. Tyskland, Nederland og Norge. Fire av landene ligger i det sørlige/sentrale området (Sørøst), dvs. Italia, Ungarn, Tsjekkia pluss Israel. Disse er landene til partnerinstitusjonene i Arbeidspakke 2 (WP2) i det tematiske nettverket ROSEBUD. I den neste bolken blir det gitt en teoretisk modellering av faktiske beslutningsprosesser og det blir utviklet en detaljert klassifisering av barrierer og underbarrierer. Til slutt gis en presentasjon av resultatene fra en spørreundersøkelse om barrierer rettet mot beslutningstakere, gjennomført både på de nasjonale og regionale/lokale nivåene i de sju deltagende landene.

83 europeiske beslutningstakere intervjuet

Totalt 83 personer svarte på spørreskjemaet, der nesten $\frac{2}{3}$ av disse representerte det nasjonale (statlige) nivået, omlag $\frac{1}{3}$ det lokale/regionale nivået, og noen få representerte det felles EU-beslutningsnivået. Halvparten av respondentene ledet sine transport- eller trafikksikkerhetsavdelinger, mens de andre for det meste var mellomledere eller seniorrådgivere/-forskere. Nesten alle foretok enten beslutninger tilknyttet prioriteringer av trafikksikkerhetstiltak eller utviklet metoder for vurderinger av trafikksikkerhet. Om lag $\frac{1}{3}$ baserte disse prioriteringene eller metodene på effektivitetsanalyser. Det er rimelig å slå fast at de utvalgte individene har innflytelse på formuleringen av trafikksikkerhetspolitikk og innledende prioriteringer og beslutninger. Bare et fåtall av de intervjuede var politikere – involvert i den siste beslutningsfasen, beslutningen om en eventuell implementering. Det bør også understrekes at bare 14% var økonomer – halvparten av utvalget var ingeniører og resten representerte andre samfunnsfag, jus og planfag.

Beslutningstakerne pekte spesielt på institusjonelle og tekniske barrierer

Basert på svar på et spørsmål om de viktigste grunnene til at NKA eller KEA ikke alltid blir gjennomført for trafikksikkerhetstiltak kan den største andelen av gitte begrunnelser klassifiseres som institusjonelle barrierer – tilsammen 56%. Størparten av disse er *absolutte* institusjonelle barrierer. Om lag $\frac{1}{3}$ av begrunnelsene kan klassifiseres som tekniske (metodiske) barrierer – spesielt mangel på kunnskap om virkningene av tiltak, og, i noe mindre grad, mangel på monetære verdsettinger av tiltakene. Om en legger til den mindre andelen med *relative* institusjonelle barrierer – mangelen på anvendelig kunnskap i effektivitetsanalyse (i institusjonen), så vil alle svarene som indikerer relative barrierer komme opp i nesten 40% (se figur under).



Kilde: TØI rapport 785/2005

Figur I: Fordelingen av svar på direkte spørsmål om hovedbarrierer mot bruk av effektivitetsanalyse.

Forskjeller mellom nord og sør

Den klareste forskjellen mellom det nordlige og sørlige/sentrale Europa er tilknyttet de absolutte barrierene. I de sørlige/sentrale landene er det sterkere institusjonelle barrierer mot bruk av effektivitetsanalyse tidlig i beslutningsprosessen, nærmere bestemt manglende anbefaling eller uklart ansvarsforhold vedrørende bruk av effektivitetsanalyse, i tillegg til mangel på ressurser/verktøy. I nordlige land vil de absolutte barrierene stort sett gjøre seg gjeldende på trinnet mellom den institusjonelle fasen og implementeringsfasen (politisk opportuniste og interessekonflikter).

Forskjellene mellom de nasjonale og lokale/regionale nivåene er mindre uttalte, bortsett fra at politisk opportuniste og interessekonflikter ser ut til å utgjøre sterkere barrierer på det lokale/regionale nivået. Svargivingen viser at andelen NKA, kontra KEA, er lavere på det lokale/regionale nivået. Og mange indikerte at kostnadsberegningen på lokalt-regionalt nivå ble benyttet sammen med rent kvalitative vurderinger av trafikksikkerhetstiltakene.

Det trengs bedre kunnskap om effekter av trafikksikkerhetstiltak og om verdsettingen av disse

Bruken av effektivitetsanalyse forutsetter kunnskap om effekter av de tiltakene som skal vurderes økonomisk. En stor andel av respondentene fant en slik teknisk barriere mot bruk av effektivitetsanalyser. Der slik effektkunnskap mangler, globalt eller i et spesifikt land (eller trenger å bli tilpasset en bestemt lokalitet), så utgjør dette en (relativ) barriere som trafikksikkerhetsforskere kan bidra til å redusere

gjennom sitt virke og samarbeid. Svar på andre spørsmål i undersøkelsen, som gir det vi kan kalle *underliggende* indikasjoner på barrierer, støtter opp om og detaljerer noen av hovedindikasjonene, spesielt at det fortsatt er en lang veg å gå for å bedre kunnskapen om effekter av trafikksikkerhetstiltak.

Også den økonomiske metodikken (verdsettingen) behøver å bli forbedret og standardisert, ut ifra respondentenes indikasjoner på uhensiktsmessighet, usikkerhet og upålitelighet tilknyttet både effekter og metodikken i seg selv. En rekke ulike monetære tilnærminger til transport og trafikksikkerhet blir benyttet i dag. Mens det godt kan være slik at spesifikke verdikomponenter kan variere mellom europeiske land, pga inntektsforskjeller og preferanseforskjeller, så bør ikke metodikken variere. Det er viktig å klargjøre hva økonomi er og hva det ikke er. En slik erkjennelse vil grunnleggende sett bidra til standardiseringen av prosedyrer i Europa. Økonomi er begrenset til monetiserte verdier, men omfanget av slike verdsettinger er mye videre enn det menigmann gjerne tror. Noen svar kunne indikere at beslutningstakere på trafikksikkerhetsområdet mangler viktig kunnskap om økonomisk teori, for eksempel de normative prinsippene om at økonomiske verdier er basert på individuelle preferanser og at en også benytter monetære verdier for fellesgoder.

Timing av effektivitetsanalysen i beslutningsprosessen og presentasjonen av resultatene kan ha betydning

Et interessant element er også den mulige (relative) barrieren tilknyttet den institusjonelle timingen av effektivitetsanalyse i beslutningsprosessen. Det er to motsatte hensyn for timingen. Effektivitetsanalyser bør ikke settes i gang før en bred undersøkelse av mulige tiltak er gjennomført, for å sikre at alle relevante tiltak blir inkludert. Imidlertid, det som er blitt indikert av majoriteten av respondentene er det andre hensynet – at effektivitetsanalyser bør settes i gang så tidlig som mulig for å kunne bli sterkere vektlagt i den avsluttende fasen av beslutningsprosessen. Denne institusjonelle barrieren bør ses i sammenheng med en annen barriere ved implementeringsfasen – presentasjonen av resultatene fra effektivitetsanalysene.

Halvparten av respondentene vurderte det som mulig (eller sikkert) at resultatene fra NKA ville bli gitt mer vekt i prioriteringen om de ble presentert på en annen måte. Det ble foreslått forbedret markedsføring/pedagogikk, spesielt å utheve antall sparte liv av lønnsomme tiltak. Selv om resultatet fra en NKA, nyttekostnadsbrøken, ikke viser de sparte liv og lemmer, så er det viktig å klargjøre at den monetære nytten av trafikksikkerhetstiltak faktisk i første rekke spiller en forventet reduksjon i sorg og smerte. *Markedsføring* av resultater fra effektivitetsanalyser er ikke en spesifikk oppgave for trafikksikkerhetsforskere (eller transport-/sikkerhetsøkonomer), men *formidling* av forskningsresultater er en slik oppgave. Det er viktig å få fram politikimplikasjonene fra resultatene på en måte som både menigmann og beslutningstakere forstår. Dette vil innebære både popularisering og oppriktighet. Det er ingen grunn til å skjule det faktum at økonomisk effektivitet måles i kroner og øre. Men hvis et trafikksikkerhetstiltak

eller en politikk blir vurdert som økonomisk effektiv, så er den nettopp økonomisk effektiv fordi den sparer liv og lemmer til en overkommelig kostnad.

Mer effektivitetsanalyse innebærer ikke teknokratiske institusjoner

Det er grunn til å påpeke at de institusjonelle barrierene, som i hovedsak er ansett for å være absolutte og mer framherskende i sørlige/sentrale land, muligens ikke vil være så absolutte likevel. Analogt med annen standardisering av produkter og prosedyrer som foregår i EU så kan en også tenke seg en standardisering av beslutningsgrunnlaget for trafikksikkerhetspolitikk i retning mer rutinemessig bruk av effektivitetsanalyse. Samtidig er altså erfaringen fra de nordlige landene at bruk av effektivitetsanalyser ikke nødvendigvis impliserer implementering av økonomisk effektive politikker.

Det å søke å redusere eller å fjerne barrierer mot bruk av effektivitetsanalyse i trafikksikkerhetspolitikken innebærer ikke en teknokratisk holdning om at NKA eller KEA bør diktere offentlig politikk (med politikerne som overflødige seremonimestere som strør sand på de ugjendrivelige sannheter fra økomopresteskabet). I demokratiske systemer er politikerne valgt til å representere folkets interesser, og de er dermed berettiget til enten å følge prioritetsresultatene fra effektivitetsanalyser eller å gjøre noe annet. For øvrig ville alternativet til det representative systemet uansett ikke være NKA, som gir et monetært uttrykk for individenes/husholdningenes vilje (med ”én krone én stemme”), men referenda – ”én mann én stemme”.

ROSEBUDs eksistensberettigelse

Eksistensberettigelsen for ROSEBUD var en erkjennelse om for lite bruk av effektivitetsanalyse i europeisk trafikksikkerhetspolitikk. I dette har det ligget noen implisitte antakelser. Det har vært antatt at om beslutningstakere hadde bedre kjennskap til effektivitetsanalyser, om hvordan denne metodikken kan/bør anvendes og hvilke politikkanbefalninger som følger fra analysene, så ville beslutningstakerne også bli mer positive til denne tilnærmingen. Denne antakelsen støttes i det minste delvis av resultatene fra spørreundersøkelsen, som indikerte både begrenset kunnskap om effektivitetsanalyse og om økonomisk teori generelt – en kunnskapsmangel som også kan ligge til grunn for en mer fundamental barriere. For eksempel trodde en stor andel av respondentene *ikke* at implementering av sikkerhetstiltak basert på økonomisk effektivitet ville redusere antallet dødsfall og skader, noe som er i strid med forskningsresultater.

Dette er trolig på grunn av en misforstått oppfatning om økonomi som noe som er begrenset til business, budsjetter og makrotall. Dette snevre synet på økonomi gjør det vanskelig å forestille seg at kostnadskrevende trafikksikkerhetstiltak kan være økonomisk lønnsomme. Selv om individer/husholdninger faktisk avveier både risiko, helse og miljø mot markedsgoder (penger) og tidsbruk, også gjennom sine transportvalg, så tror de fleste tilsynelatende at dette ikke har noe å gjøre med

”ordentlig økonomi”. Økonomer ser dette annerledes. De anerkjenner stort sett at verdien (nyttene) av å forhindre dødsfall og skader, i stor grad basert på individenes betalingsvillighet for å redusere risiko, vil veie såpass tungt at mange nye (men ikke alle) trafikksikkerhetstiltak vil være økonomisk effektive. Det er ikke bare moralske argumenter for økt trafikksikkerhetsinnsats, men også økonomiske argumenter. Beslutningstakerne i samferdselssektoren har så langt trolig i større grad tatt innover seg det moralske problemet med trafikkdøden enn de økonomiske. Og så, ved de endelige prioriteringene, har de for ofte gitt etter for andre transporthensyn som er mindre økonomisk lønnsomme enn forbedret trafikksikkerhet.

1 Background and purpose

Many European countries have set ambitious targets for reducing the number of road accident fatalities. The European Union has a target of reducing the number of road accident fatalities from 40,000 in 2000 to 20,000 in 2010. In order to realise these targets, it is necessary to implement effective road safety measures. Efficiency Assessment Tools (EAT) can help policy makers identify the most cost-effective or profitable road safety measures. It is reasonable to assume that more fatalities and injuries could be prevented if road safety policy priorities were based on well-performed efficiency analyses (Elvik 2003).

EAT provide input to complex decision making based on clear rational-choice models, compatible with basic democratic principles – the analyses are founded on individuals' own values. EAT follow the housekeeping principle of getting the most out of limited resources, and should ideally provide a systematic and transparent structuring of society's objectives. EAT comprise cost-benefit analysis (CBA) and cost-effectiveness analysis (CEA). CEA sets out from given road safety targets or road safety budgets and rank measures according to lowest monetary costs. It is a method for estimating the € cost of, e.g., one life saved, for a given road safety measure (Tengs *et al.* 1995). CBA involves monetary assessment of both costs and effects/benefits of a measure. CBA enables efficiency assessment of both road safety measures and infrastructure investments in which road safety competes with mobility (travel time) and environment (air pollution, noise). It can thus handle monetary comparison of safety goals with other societal goals (Layard and Glaister 1994, Hanley and Spash 1993). Comparable to the market place, CBA provides a weighting of allocations according to "one euro one vote" (Nyborg and Spangen 2000).

There exist a lot of cases of both CBA and CEA of road safety measures from European countries (BAST 2003). However, in most EU/EEA countries EAT are not regularly used in the (professional/bureaucratic) assessment of road safety priorities. CBA is primarily applied when larger infrastructure investments are considered, but that does not necessarily imply that the safety effects of such projects are assessed monetarily. Countries of the Northern (or North-Western) part of Europe have gone furthest in using CBA as an integrated tool in the decision-making process of the transport sector, especially at the national/state level, also including the monetary assessment of safety effects. For designated road safety measures CBA is relatively less used than CEA. This also applies to lower decision levels, i.e., local/regional levels. In countries of the Southern/Central (or South-Eastern) part of Europe, EAT are generally not applied for the assessment of road safety measures. However, although EAT are more used in the early stage of the decision-making process in the Northern part of Europe, that does not imply that the priorities from the EAT are implemented at the political level (Elvik 2001).

The objective of this report is to identify and analyse some of the barriers that may prevent the use of EAT in road safety policy or prevent the implementation of priorities given from EAT. There is an underlying assumption that barriers generally are stronger against CBA than against CEA, although there also exist common barriers against both methods. Thus, although the term EAT is applied, in many cases barriers will relate particularly to CBA.

The barriers may be philosophically based, e.g., such that they involve a *fundamental* rejection of the principles of EAT. The barriers may also be related to *institutional* settings, e.g., that existing laws, directives or traditions rule out the use of EAT in decision-making involving road safety. Further, barriers may be related to *methodological* aspects of EAT, e.g., that decisive inputs for applying EAT or knowledge about the use of EAT are lacking. Finally, some barriers may be related to the *implementation* of policies, such that even if EAT-based priorities are given from the earlier stage of the decision-making process, these may be partly or fully set aside when the final decisions are made (Elvik 2001).

Another distinction can be drawn between *absolute* and *relative* barriers. Absolute barriers are barriers that cannot be expected to crumble as a result of the Thematic Network ROSEBUD or other joint efforts of the European research community. These barriers are fundamental and institutional barriers to the use of EAT in planning, in addition to barriers to the implementation of policies based on efficiency analyses. Relative barriers are those that the ROSEBUD project can attempt to influence, consisting primarily of technical barriers and, possibly, some institutional barriers to the use of EAT.

The identification and analysis of barriers are based on a triple approach. Firstly, existing road safety priorities and decision-making procedures are reviewed for six European countries plus Israel. Three of the countries are situated in the Northern (or North-Western) area of Europe, i.e., Germany, Netherlands and Norway. Four are situated in the Southern/Central (or South-Eastern) area, i.e., Italy, Hungary, Czech Republic plus Israel. These are the countries of the Partner institutions in Work Package 2 of the Thematic Network ROSEBUD. Secondly, a theoretical model of actual policy making and a detailed classification of barriers and sub-barriers are developed. And, thirdly, the results of a survey of decision makers concerning barriers, carried out at both the national and regional/local levels in the seven participating countries, are presented. Some main findings will be extracted and possible ways for reducing barriers will be indicated.¹

¹ ROSEBUD Work Package 3, "Improvements in efficiency assessment tools", would partly follow-up the findings of Work Package 2.

2 Efficiency assessment tools (EAT)

2.1 Cost-effectiveness versus cost-benefit

Cost-effectiveness analysis (CEA) is based on the notion that certain targets for, e.g., road safety are set (politically) and the method involves finding the least costly manner of achieving the targets. The approach resembles cost minimisation in basic microeconomic theory (Varian 1992), but CEA does not require a monetary valuation of accidents or injuries, nor of any other relevant policy objective. The good provided is measured in 'natural units', such as the number of road accident fatalities prevented. A cost-effectiveness analysis simply estimates the cost-effectiveness ratio, which can be defined as:

$$\text{Cost-effectiveness ratio} = \frac{\text{Number of accidents prevented}}{\text{Cost of measure}}$$

The number of accidents prevented forms the numerator, consistent with the idea that one wants to maximise the cost-effectiveness ratio. Cost refers to the direct costs of implementing the measure (investment and operation/maintenance costs). An implicit value principle is that market-based prices (costs) reflect the individuals' aggregate preferences for the allocation of private/market goods. Tengs *et al.* (1995) provide CEAs of a large number of road safety measures in the US. Some few European applications are referred in BASt (2003).

There are three main limitations of CEA: (1) The definition of cost-effectiveness becomes a problem if accidents of different severities are to be considered, instead of, e.g., only counting fatalities. It may then be necessary to estimate a cost-effectiveness ratio for each level of accident severity and then compare ratios across levels of severity. Then one may have to decide what is the best of a project preventing 2 fatalities and 30 serious injuries and another project preventing 3 fatalities and 20 serious injuries. (2) CEA does not include a criterion stating when a certain measure should be regarded as cost-ineffective, that is, as giving too small safety benefits compared to the costs of the measure. It can only be used to rank order measures by cost-effectiveness. (3) CEA cannot be used to make tradeoffs against other policy objectives. It seeks to maximise a single objective only, that of preventing accidents or injuries. One could end up with two best measures with respect to safety cost effectiveness, where one measure could have, e.g., large negative side effects on mobility and the other large negative side effects on, e.g., emissions of particles/pollution. Which of these negative side effects should one try to avoid?

Cost-benefit analysis (CBA) seeks to overcome these limitations of CEA. Accidents or injuries of different severities are made comparable by estimating

the benefits to society, stated in monetary terms, of preventing them.² Safety measures are classified as inefficient if benefits are smaller than costs. Monetary values principally reflect individuals' willingness to sacrifice income to obtain increased provision of market goods (by purchasing these) or public goods (by accepting taxation).³ Tradeoffs of safety against other policy objectives are thus made possible by converting all policy objectives to monetary terms.

Theoretically a CBA should include all relevant economic aspects and provide a comprehensive, holistic ranking of options. As far as road safety policy is concerned, the most important potentially conflicting policy objectives are those related to travel time, costs of transport (vehicle operating costs), and the quality of the environment (noise, air pollution). CBA has been applied to a wide variety of cases of proposed road safety measures, also in Europe, and a large number of these measures have been found to have higher – in some cases far higher – benefits than costs (BASt 2003).

CEA is conceptually a simpler method to apply than CBA. CEA fits relatively easy to an engineering, financial or layman approach to costs and prices related to budgeting. Actually it can be applied without fundamental comprehension of economic theory. If physical impacts of alternative safety measures are known, the needed data will consist of market prices of relevant inputs. Thus, there are probably more limited barriers against the use of CEA than against use of CBA. Cost minimisation may still involve a complicated modelling in CEA if it includes many interrelated factors in addition to the time dimension. Certainly, similar complicated modelling will also be required as part of CBA.

CBA may in some cases be nearly as 'straight' to perform as CEA, but it will often involve more demanding elements related to the assessment of safety benefits and, especially, the assessment of side effects. The valuation of preventing fatalities/injuries and reducing noise/pollution are also demanding tasks. Notwithstanding this, there exist official or recommended valuations in several European countries (Blaeij et al. 2004, Elvik et al. 2004), and there have been attempts to provide common European valuation standards (Nellthorp et al. 2001, WG 2003). Still, there remains some kind of philosophical complexity in CBA, at least partly in the sense that it confronts the analyst with fundamental value definitions when including public goods into the calculations. As stated, these values should be derived from individuals' willingness to sacrifice income for gains and acceptance of compensation for losses, as far as it is possible to gauge these values. Thus, economic values in CBA encompass values of market goods – given as market prices – and values of non-market goods (public goods) – estimated indirectly from observed behaviour or directly by surveying. The theoretical attraction of CBA does not by itself make it easy to implement in practice, nor does it ensure that the results of CBA are always accepted.

² The economic value of reducing by one the expected number of fatalities is also known as the 'value of a statistical life'.

³ However, different from purchases of market goods, individual households cannot decide the "consumption level" of public goods. They can only push for the desired level through political elections or through specific surveys where they state their preferences, or willingness-to-pay, and these stated preferences may then subsequently enter CBA and decision-making (Brekke 1995, Hanley and Spash 1993).

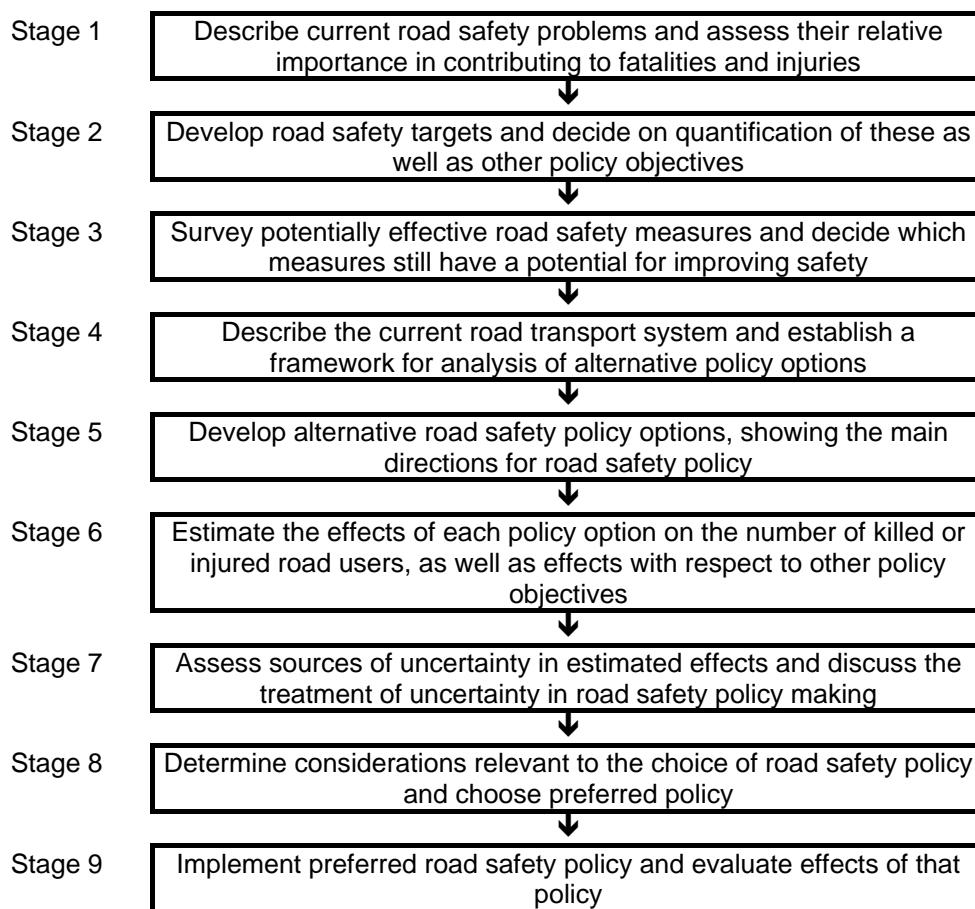
It may perhaps be useful to divide the application of CBA for road safety measures into “maxi CBA” and “mini CBA”. The “maxi CBA” is to be understood as a complete analysis involving best available inputs and estimations of costs and benefits. The “mini CBA”, on the other hand, would involve a simpler “at the back of the envelope” estimation of main costs and benefits. Textbook descriptions of CBA are not standardised in terms of maxi nor mini – various circumstances and elements will govern the thoroughness of any scientific analysis. However, it may be helpful to regard “mini CBA” as a relevant approach to preliminary assessments of road safety measures – isolated or within infrastructure development – or even at a regional/local level where resources are not available for elaborated analysis. The “maxi CBA”, the state-of-the-art analysis, would be aspired at for the larger infrastructure and safety projects.

2.2 The EAT/CBA model of decision-making

While CEA is designed to identify the least costly way to realise a given political goal, CBA takes the multiplicity of political objectives as its point of departure but grades the proposed projects with a ‘pass’ or ‘reject’ and, eventually ranks those with a ‘pass’. The objective of CBA is economic welfare maximisation. The criterion of ‘potential Pareto improvement’ (PPI) is applied to determine if a given measure/project increases welfare. According to PPI the measure/project should be implemented if those who benefit from it can compensate those who lose from it and still retain a net benefit. Thus, from a given agenda of relevant measures/projects CBA provides an analytical method – with firm foundation in economic theory and, to a large extent, also in democratic theory – to sort out those that merit implementation (Elvik 2001).⁴

The use of EAT in road safety policy-making is, implicitly, based on an ideal model of the decision-making process, as depicted in Figure 1. It is emphasised that this model is used as a heuristic device only. It is not meant to be a literally correct description of how road safety policy making actually proceeds. The stages identified are listed in logical order, but in actual policy-making this does not necessarily correspond to chronological order.

⁴ As indicated in the Introduction, the rule of the game in CBA is “one euro one vote” while the democratic election rule is “one (wo)man one vote”. Further, a case can be made that PPI does not lead to economic welfare maximisation (Nyborg 2002). Still, democratic theory comprises more than elections, and the use of individuals’ own valuations, through market behaviour or through responses to surveys, constitutes a democratic aspect of CBA (Mitchell and Carson 1989).



Source: TØI report 785/2005

Figure 1: An analytical model of road safety policy making

Formal efficiency assessment of road safety measures contributes to policy making at stages 5 and 6 in particular. It is, however, a misunderstanding to think that the results of a CEA or a CBA amount to a policy recommendation. These analyses shed light on the efficiency in economic terms of alternative policy options. However, considerations other than efficiency in the sense of that term within the framework of EAT will nearly always be relevant for policy choice. It would therefore rarely, if ever, be the case that a CEA or a CBA would form the only basis for making a policy choice.⁵ Stage 9, the implementation phase, may by itself comprise several sub-stages, but such a detailed treatment is beyond the scope of this report.

⁵ It is important to stress that decision makers can be regarded as rational even if they do not base their decisions on CBA. Politicians may value the elements in a CBA differently from what is given from individuals' valuations (either within or outside markets). They may also take into consideration elements that do not enter CBA.

3 Actual road safety decision-making

3.1 Current road safety decision-making in Europe

The following sub-section provides short descriptions of current road safety decision-making in Germany, Netherlands, Norway (the Northern countries), Italy, Hungary, Czech Republic and Israel (the Southern/Central countries).

3.1.1 Germany

The German Federal Ministry for Transport, Housing and Building is responsible for the implementation and evaluation of road safety programmes. Programme evaluation takes place every two years. No details are given concerning monitoring road safety indicators, and no numerical targets have been set. Performance that is monitored concerns investment in federal road construction, technical inspection of vehicles, driving and resting hours of heavy goods vehicle drivers, and performance of emergency and rescue services.

The German federal road safety policy is entitled "Programme for more safety in road transport" (*Programm für mehr Sicherheit im Straßenverkehr*). It is derived from an overall view on the societal dimension of mobility and safety, where mobility is seen as an expression of freedom and quality of life, and being a prerequisite for economic wealth and growth. Human and social behaviour are considered as an important part of a road safety culture, relating to responsibility, respect, and control of aggressiveness. There is a vision of joint efforts and consensus that should improve road safety, and it is accepted that not all road accidents can be prevented. The German federal road safety programme does not have fixed numerical targets, or a target year.

A separate role in road safety is played by the German Road Safety Council (*Deutscher Verkehrssicherheitsrat, DVR*), a non-profit organisation with an objective of supporting traffic safety measures for all road users. DVR's main emphasis is given to questions related to engineering, education, legislation and enforcement, especially to the human being and his/her education and information. The organisation has about 270 members including the Federal Ministry of Transport, Housing and Building and the transport-related Ministries of the *Länder* as well as the Road Safety Clubs, the Work Accident Insurance Associations, the automobile clubs, the insurance sector, the vehicle manufacturers, the churches, the industrial sector, the employer associations and trade unions (http://europa.eu.int/comm/transport/road/figures/profiles/profile_de_en.htm).

Efficiency assessment tools have primarily been applied in road infrastructure investments. Systematic road safety related assessment is compulsory for the German transport master plan BVWP (*Bewertungsverfahren der*

Bundesverkehrswegeplanung). One part of the assessment methodology comprises a general economic CBA in which road safety impacts are considered against travel time and pollution costs, etc. BVWP is based on road network analysis modules containing traffic volumes, road lengths, road capacities etc. It considers base cases and improvement cases (scenarios), analysed by the modules as a basis for the CBA. Road safety impacts in the CBA are evaluated as costs resulting from accidents, and avoiding such costs represents economic benefits of a given road infrastructure investment. The accident reduction potential is calculated as the difference between the accident frequencies with an improvement and without it. The benefits are monetised by applying cost figures from the Federal Highway Research Institute BASt (BASt 2003). For specific road safety measures, not within larger infrastructure investments, CEA rather than CBA is applied.

3.1.2 Netherlands

The Ministry of Transport, Public Works and Water Management has the central responsibility for safety policy and allocates funds for specific road safety activities. Dutch road safety policy is designed and executed at different government levels (national/state, regional and local), and various government sectors are involved in policy making (road authorities, police, justice, and education bodies). Horizontal co-ordination between sectors at the national level is undertaken by the Consultancy Body on Road Safety (OVV). Various non-governmental organisations are also active in promoting road safety, such as 3VO (the co-operation of three road safety organisations) and the Dutch automobile club ANWB. Road safety research organisations are also active, such as AVV (a research and advisory body of the Ministry of Transport), SWOV (Institute for Road Safety Research), TNO (Dutch organisation for applied physics research), and others.

In order to evaluate the effectiveness of road safety policy the Ministry of Transport, provinces and municipalities are responsible for monitoring and evaluation. Monitoring details cover the number of crashes, fatalities, casualties (at various level of severity) and risk exposure. With respect to road user behaviour, drink-driving, seatbelt use and average speeds are being monitored. In addition, traffic counts are monitored (http://europa.eu.int/comm/transport/road/figures/profiles/profile_nl_en.htm). The Ministry of Transport has current targets of max 900 fatalities and 17000 hospital admissions in 2010 compared to 1100 fatalities and 18500 hospital admissions in 2002 (15% and 7.5% less).⁶

⁶ Nearly two decades ago the Dutch Ministry of Transport set the following road safety targets: 50% fewer fatalities and 40% fewer hospital admissions resulting from road crashes by the year 2010 compared to 1986. By 1991 it was apparent that these targets would not be met if traditional policies were continued ('spearheads' or focus areas – 'mono-causal' approaches), even if the related activities were intensified. New scientifically based and data-driven policies are developing, comprising the adaptation of the infrastructure to road user capacities and limitations (and provision of information, training and control) and the development of safer road vehicles (Wegman and Wouters 2002).

The Dutch road safety policy centres around the concept of sustainable road safety policy and around the divergent functions of the 'public space'. Traffic has to be kept flowing, city centres have to be accessible, etc., and at the same time the lack of safety of travel and transport has to be obviated. Principles have been developed on the segregation and/or integration of incompatible travel modes and/or traffic participants, on a hierarchical road-infrastructure, on pedestrian precincts, on bicycle paths and routes, on traffic circulation, etc. This has resulted in an integrated road safety philosophy, which has been the basis of long-term road safety policy plans (MPVs) since the mid-1980s (Wegman and Wouters 2002).

In 1998 the Ministry of Economic Affairs and the Ministry of Transport started the research programme Overview Economic Effects of Infrastructure (OEEI). The goal was to achieve agreement about the methodological framework for assessment of infrastructure projects, resulting in guidelines for CBA. Recent evaluations of the OEEI-guidelines (BCI 2002, OEEI 2003)⁷ has led to changing its name to OEI (Overview Effects Infrastructure) and a number of additional reports on specific subjects published December 2004. These additional reports together with the OEI-guideline will be the standard for executing CBA. An

⁷ From the evaluations various critical remarks were set forth: (I) *The CBA cannot be the only answer to the question whether or not a project should start. This is not realistic and not even desirable. The goals of the governments cannot always be tested by a CBA, sometimes multi criteria analyses are more useful.* (II) *The CBA should not be used only for infrastructure projects, but also for other projects and policy measures. Attention is called to the relationship between infrastructure and spatial/regional planning.* (III) *The execution of the CBA is often not enough tuned to the decision making process. Attention to economic effects should be paid in the beginning of the decision making process, not only as a calculation at the end. The CBA and the (obligatory) Environmental Effect Report (MER) have to be tuned better in content and in timing. The two could be combined in an Integral Effects Overview or the MER could be a part of the CBA.* (IV) *The process of executing a CBA should be shortened and the CBA should be brief. In this way the CBA can also be used in the beginning of the decision making process to screen different alternatives. Draw all parties from the beginning into the CBA-process. Through this, expert information can be used in the process, support can be gained and "blindness" for matters outside the process can be prevented. When outcomes of a CBA does not reflect the point of views of decision makers (or the promises that have already been given) the outcomes are simply put aside. A CBA should therefore be performed before political points of view have been formed about a project.* (V) *The choices of methodological approaches, alternatives, preoccupations are not sufficiently transparent and accessible, and too little attention is paid to uncertainties. During the process, more attention should be given to the choices that have been made in the process of the CBA, and these should be reflected. More attention should be paid to external effects, to monetising these effects, and also to distribution effects.* (VI) *Some organisations (research institutes or advisory boards) have a dominant (monopoly) position in executing CBA. Too few experts are involved in designing methods and models for CBA. There should be more competition, and a second opinion on performed analyses is desirable.* (VII) *The advantages and disadvantages of the installation of a permanent testing committee should be examined. A CBA should be repeated during the execution of the project, when there arise extra costs or circumstances alter.* (VIII) *CBA reports are too technical, too extensive, with too many details, with too much attention to the monetary effects, and generally badly written. One should use the language of decision makers to communicate. Some conclusions of a CBA are against the intuition of laymen, and such conclusions must be well explained.* Indeed, some of these critical points of view are directed against the methodology and others against particular institutional settings. Such points of criticism may to some extent explain or correlate with barriers against the use of CBA (or EAT in general) in road safety policy.

additional report on how to deal with safety effects in CBA will be published in 2005.

CBA or simplified CBA (“mini CBA”) is compulsory for large national infrastructure projects, regional projects costing more than 225 million Euro and local projects over 112.5 million Euro. For other projects CBA is recommended. In most CBAs traffic safety effects are being monetised using standard cost estimates per accident or kilometre. Applications of EAT for (specific) road safety measures in the Netherlands are few. SWOV has performed a CEA of the National Traffic and Transport Plan (NVVP) in 2000 and recently SWOV published a CBA of measures for lorries and haulage companies. Also some CBAs of Dutch road safety measures have been made within EU-projects.

3.1.3 Norway

The main bodies of national government responsible for road safety policy in Norway are the Ministry of Transport and Communications, and its executive agency, the Public Roads Administration, the Ministry of Justice and the Central Police Administration, and the Ministry of the Environment. At the regional level of government, the regional offices of the Public Roads Administration and the police districts are important policy makers. At the local level of government, the municipalities, of which there are about 430 in Norway, take part in road safety policy.

A national transport plan covering a period of 10 years is drawn up every four years. The plan currently in force is the 2002-2011 plan. The plan for the term 2006-2015 was presented early in 2004. The national transport plan includes all modes of transport. It contains a road investment budget, which includes many road safety measures related to traffic engineering.

CBA is used extensively in planning major road investments. Policy priorities are not strictly based on these analyses, but they are nevertheless made and the techniques for making the analyses are continually updated. For smaller road investments, including minor traffic engineering measures, CBA is not routinely undertaken, but it is increasingly used even for smaller projects. Road maintenance operations are not subject to CBA, but are based on technical standards, such as standards for road surface evenness, road surface friction, legibility of signs and markings, and so on. Police enforcement is not based on CBA. Norway does not issue its own vehicle safety standards, but adopts standards made by the European Union and by the United Nations’ Economic Commission for Europe. CBA of vehicle safety standards is hardly ever performed in Norway. Norway has an extensive system for driver training, but no CBA of this system has been made.

Thus, the use of formal EAT, in particular CBA, is by and large confined to large road investments, but has started to spread to smaller road investments. Impact assessment is, however, usually performed for most road safety measures, at least at the national level of government. An impact assessment is an estimate of the number of accidents or injuries that can be prevented by means of a certain road safety measure or a set of measures. An impact assessment is needed to perform an efficiency assessment, but not all impact assessments are followed by a formal

efficiency assessment. As an example, there are programmes for retraining of elderly drivers, for seat belt enforcement, and for roadside technical inspections of heavy vehicles. For all these programmes, an impact assessment has been made, but no CEA or CBA has been performed.

3.1.4 Italy

In Italy, the overall responsibility for road safety issues is held by the Ministry of Infrastructure and Transport (previously named Ministry of Public Works). To achieve the objectives foreseen by the European Commission's White Paper "European Transport Policy for 2010: time to decide", in terms of reduced fatalities and severe/serious injuries on roads, a specific Road Safety National Plan (*Piano Nazionale della Sicurezza Stradale* - PNSS) was designed in 2000 by the Ministry of Infrastructure and Transport. The development of such a plan was mandated by national legislation (its legal basis has been law n°. 144 of 17 July 1999). The PNSS can be considered the national *strategic planning tool* for road safety, it provides directions and measures to promote plans and programmes aiming at improving road safety standards. It mainly focuses on: infrastructure design; accident prevention and control, and legal, regulatory and management issues. Moreover, it provides the resource allocation criterion used by the Ministry to split economic resources among the different National territorial areas (e.g., Regions).

General Guidelines for setting up specific intervention programmes and plans have been drawn up and published by the Ministry of Infrastructure and Transport, more specifically by the Inspectorate General for Traffic and Road Safety (*Ispettorato Generale per la Circolazione e la Sicurezza Stradale*). The guidelines identified the following priority areas:

- Road safety measures for high accident rate road stretches.
- Road safety in urban areas.
- Vulnerable (non-motorised) road user protection.
- Accidents decrease for commuter and professional traffic.

A specific Road Safety Committee (*Comitato per la Sicurezza Stradale*) holds the office for the administration of developing, implementing and monitoring progress of the overall road safety programme, and the annual road safety implementation plans (*Programmi Annuali di Attuazione*). As a basis for the elaboration and implementation of the annual road safety plans, the effects of the previous year's measures are to be evaluated. Therefore, basic road traffic and road safety indicators are used for monitoring and evaluation purposes, such as accidents, fatalities and other casualties, information about "black spots", and traffic growth (http://europa.eu.int/comm/transport/road/figures/profiles/profile_it_en.htm).

The Guidelines also provide a detailed description of the methodology to be used in order to perform *preventive* road safety analyses. It distinguishes two different types of analyses:

- the Road Safety Audit (referring to roads to be built);
- the Road Safety Review (referring to existing roads),

Both instruments represent preventive processes aiming at identifying potentially dangerous situations, before accidents occur. An independent and qualified examination group performs these analyses; the examination group carries out the analyses of the potential dangers of accidents and of safety level. In order to ensure a multidisciplinary approach to these analyses, the examination group is made up of experts in different areas, such as transport, economics, environment, etc.

It should be noticed that these guidelines do not provide any indication on the usage of economic assessment tools to define the most suitable (economically effective) road safety measures. In other words, the usage of tools such as CEA and CBA to choose the most cost-effective countermeasure is not requested by the Ministry. The only tool that is usually applied is the CBA, but only when the intervention is related to a major road network investment, as could be the analysis of measures to be implemented on highways. For specific road safety measures neither CEA nor CBA are applied.

3.1.5 Czech Republic

The overall responsibility for road traffic safety (with the sole exception of traffic law enforcement) is held by the Ministry of Transport and Communications, executed through the Road Safety Council. Different bodies dealing with road safety are represented in an Advisory Council. The Government has adopted a Safety Programme and many safety-oriented measures have been introduced in the Traffic Code. Various drafts of acts and regulations have been provided, encompassing human factors, vehicles and roads. These pieces of legislation clearly delineate the competences of the state authorities and the police (Craen and Wegman 2003, Mikulik 2004).

The Ministry of Transport and Communication started to draw up a draft of a road safety strategy in 2003. The partial goals, by means of which the main strategic goal is to be reached, can be listed as follows (Mikulik 2004):

- Cutting the number of road accidents caused by speeding
- Cutting the number of accidents caused by impaired drivers
- Cutting the number of accidents caused by failure to give way
- Increasing the rate of seat-belt use
- Protecting vulnerable road users
- Improving post-accident care
- Creating safe road infrastructure

- Increasing traffic law compliance

CBA, or CEA, has only been applied to large infrastructure projects. Almost no economic analyses related to safety measures have been made up to now in the Czech Republic.

3.1.6 Hungary

Prevention of road accidents is a governmental responsibility, administered by the Ministry of Transport. The main tasks are:

- to elaborate the traffic rules (Highway Code and connecting decrees),
- to define and control the methods of drivers' instruction and examination,
- to organise and lead the safety campaigns,
- to check drivers' (road users') behaviour and to determine how to carry out the enforcement of regulations, and
- to fix the sanctions.

Moreover, road network operation and construction, provision for technical requirements and technical inspection of vehicles, as well as organisation and operation of the emergency service are also governmental responsibilities. The ministries of transport and home affairs have traditionally been the two supreme state institutions responsible for road safety in Hungary (for many decades).⁸

CBA is used compulsorily at road planning and construction above a determined cost level, i.e., larger infrastructure projects. Other important road safety oriented measures, works and decisions are not subject to CBA. However, within the following fields one could make economic estimations, if requested:

- elaboration of traffic rules (decrees, regulations, prescriptions),
- accomplishing of drivers' instruction and examination rules and methods,
- road safety campaigns,
- control of road-users' behaviour,
- police enforcement,
- road maintenance and reconstruction,
- working out of vehicle safety prescriptions or adoption of EU prescriptions, and
- operating and developing of ambulance/emergency services.

⁸ In 1992 the Hungarian road infrastructure development, the financial means of implementation, and its scheduling were assessed with World Bank co-operation. Specification of the tasks of road safety, its organisational management, and its financing formed a small but integral part of this assessment.

There exist cases where a CBA has been performed and showed support for planned or still performed road safety measures (e.g., roundabouts). But, overall, the use of EAT is not part of the decision-making process for road safety policies.

3.1.7 Israel

In Israel the Ministry of Transport is responsible for road safety policy and coordination of road safety activities. The Ministry of Transport together with the Ministry of Finance also allocate a budget to the National Road Safety Authority. In the last few years the Ministry has reallocated budgets from public works and railways to safety to compensate for the abolishment of previous compulsory funding which was derived from a certain percentage of the compulsory insurance premiums from vehicle owners. Notwithstanding this, the safety budget has decreased over the last few years.⁹

Efficiency assessments, mostly of potential large infrastructure projects or improvements, have been frequently conducted by the public road authorities over the last decade and are part of the official decision-making process. However, CBA of safety measures is not systematically used in Israeli practice. The known applications concern mostly road infrastructure rehabilitation and maintenance projects. CBA of safety effects is not compulsory, due to a lack of officially accepted evaluation techniques and a lack of mandatory demands on the issue, when a transportation project is considered.

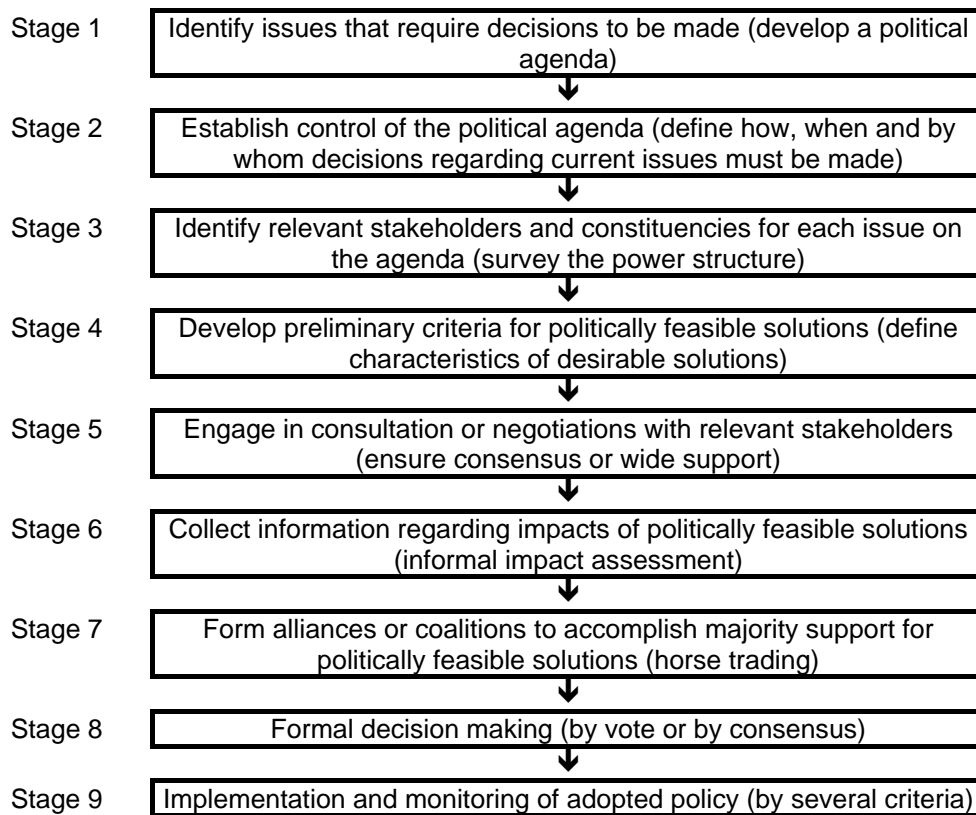
Recently a study was conducted, aimed at developing a uniform methodology for evaluating potential safety effects of projects on road infrastructure improvements (Hakkert and Gitelman 2002). The final product of the study, which included the evaluation of the effects of a large number of safety projects was a computer programme, enabling to perform CBA of different variants of a project, a tool similar to those applied in some European countries, e.g., COBA in the UK, BVWP in Germany, EVA in Sweden (BAST 2003). The project was funded and the tools' application was supported by the Infrastructure Department of the Ministry of Transport but not by the Economic Department of the same Ministry. Meanwhile, there is no practical mechanism to force local authorities or the Public Works Department (responsible for rural roads) to apply the tools while selecting road infrastructure improvements. To date no decision making body has initiated a mandatory application of the efficiency assessment tools that were developed.

3.2 A model of actual policy making

The logic of policy making differs greatly from that of a research process or a scientific approach to the analysis and solution of a social problem. In order to provide a backdrop for a structured discussion of the contrast between the ideal EAT model of decision-making and actual policy making, Figure 2 presents a

⁹ According to safety expert Dr. Moshe Becker, road accidents caused losses of NIS 7 billion to the Israeli economy in 2000. This calculation includes loss of productivity by those killed and seriously injured, property damage, costs of hospitalization and more.

model of the policy making process intended to describe this process as it really is.



Source: TØI report 785/2005

Figure 2: A model of policy making as it actually occurs

As can be ascertained by comparing the model in Figure 2 to the model in Figure 1, presented in section 2.2, there are big differences between the “EAT/CBA logic” of decision-making and the logic of actual policy making. Political decision makers do not always look for the most economically efficient solution to a problem, although efficiency is sometimes an important criterion. Some of the contrasts between these two models serve as the basis for identifying barriers to the use of EAT. While politicians seek consensus and try to embed their decisions firmly in existing institutions, EAT implicitly assume that there is already consensus on political objectives and that a suitable technical apparatus exists for implementing cost-effective policy options. These assumptions may not conform to political realities, and in actual policy making processes, it is always the political realities that determine the outcome, and not the input provided by technical experts.

This does not necessarily mean that there is no role for technical experts, nor that any policy recommendation based on a formal efficiency assessment will always be turned down. One should recognise, however, that efficiency assessment will nearly always be just one element of a policy making process that involves a multitude of other considerations. Although this model was developed primarily for the political decision-making at the national level, it could be generalised to

decision-making at lower (local/regional) and higher levels (EU). The model also points to how politicians may have an interest in intervening in the process of using EAT (especially CBA) at the initial stages of decision making. E.g., by taking control of the political agenda and forming alliances with relevant stakeholders, a CBA that shows efficiency of a road safety measure that conflicts with the interests of stakeholders/constituency allied to the political majority may be “killed by silence” or discredited as unfair.

3.3 Whose benefits and whose costs?

The interaction and contrast between the “ideal EAT/CBA model” and the “actual policy-making model” may be related to the issue of who gain and who lose if an economically efficient road safety policy is implemented. As stated in section 2.2 above, a CBA (and also a CEA) is normally blind to the distributive outcome of a policy – economic effectiveness is the only criterion for the economic desirability of a policy, and this is founded on PPI (gainers could *potentially* compensate losers). Distributive effects of road safety policies may just as well involve *rights* as pecuniary benefits/costs. E.g., the right of way may be transferred from one group of road users (car drivers) to another (pedestrians/bicyclists), although this may also have indirect pecuniary effects through mobility gains/losses. Anyway, distributive effects are not limited to (direct or indirect) income gains and losses, but even such changes of rights may be valued monetarily by the individuals/households. It is to be expected that groups of road users will use their political force to uphold rights (e.g., car users implicit privilege to mobility compared to cyclists/pedestrians, in nearly all countries) and resist potential pecuniary losses (e.g., that could result from more police control of speeding and alcohol/drugs).

Another way of dealing with this issue is by assessing internal costs of a (road safety) measure versus the external costs (Elvik 1994). Related to the variety of road safety measures presented in the ROSEBUD WP1 Report, i.e., user-related, vehicle-related, infrastructure-related measures and rescue service measures (BASt 2003), the relation between internal and external costs will vary. The financing schemes may involve public budget spending on infrastructure or campaigning, car owners’ paying for new devices in cars through sales prices, law offenders’ payment of fines or fees, or other taxes or subsidies to curb safety adverse developments or enhance safety. Thus, a question is to which extent one may explain which types of safety services are related to the different possible measures and instruments (e.g., whether they are private or public services) and which categories of policies can be distinguished. Again, it is important to assess whose safety and whose willingness-to-pay are at stake, if it is the car drivers themselves, their passengers, vulnerable road users or other specific third parties (Elvik 2002). This issue will also be reflected and developed under the determination of a typology of barriers to the use of EAT in the following section.

4 A typology of barriers to the use of efficiency assessment tools in road safety policy

4.1 Introduction

This chapter will describe a typology of barriers to the use of efficiency assessment tools in road safety policy, based on Elvik (2001). Four main groups of barriers have been identified. These can be listed as:

A Fundamental barriers (barriers of a philosophical nature)

- A1 Rejecting the principles of welfare economics
- A2 Rejecting efficiency as a relevant criterion of desirability
- A3 Rejecting the monetary valuation of risk reductions

B Institutional barriers (barriers related to the organisation of policy making)

- B1 Lack of consensus on relevant policy objectives
- B2 Formulation of policy objectives inconsistent with EAT
- B3 Priority given to policy objectives unsuitable for EAT
- B4 Horse trading / vote trading
- B5 Political opportunism
- B6 Unfunded mandates and excessive delegation of authority
- B7 Abundance of resources
- B8 Rigidity of reallocation mechanisms
- B9 Wrong timing of EAT information in decision-making process

C Technical/methodological barriers (barriers related to inherent elements of the efficiency assessment tools)

- C1 Lack of knowledge of relevant impacts
- C2 Inadequate monetary valuation of relevant impacts
- C3 Indivisibilities
- C4 Inadequate treatment of uncertainty

D Barriers related to the implementation of cost-effective policy options

- D1 Social dilemmas
- D2 Lack of power (related to B6 above)
- D3 Vested interests in road safety measures
- D4 Lack of incentives to implement cost-effective solutions
- D5 Lack of marketing of efficient policies

Barriers in categories A and B are related to characteristics of policy making in general, and are thus not inherent in EAT. Barriers in category C are inherent to EAT and identify weaknesses of these tools. Finally, barriers in category D may not prevent formal efficiency assessment of road safety measures from being made, but will prevent the results of those analyses from serving as an important basis for actual policy priorities. In the following sections, each of the barriers will be defined more precisely and some illustrations of them will be discussed. It should be noted that this typology was developed with regard to both a political point of view and a bureaucratic point of view. With a focus on the bureaucratic agenda and situation the typology may be extended and adjusted. Furthermore, in some cases a barrier may be classified within more than one categories.

4.2 Fundamental barriers to the use of efficiency assessment tools (A)¹⁰

4.2.1 Rejecting the principles of welfare economics (A1)

Road safety experts/bureaucrats and politicians may reject:

1. Consumer sovereignty
2. Valuation of goods according to willingness-to-pay
3. Pareto-optimality as the criterion of welfare maximisation
4. Neutrality with respect to income distribution

Some people argue that it is wrong to accept consumer sovereignty for every conceivable consumer decision, arguing that consumers sometimes have to be protected from themselves.¹¹ Consumption which is considered very harmful to health, like taking drugs, is prohibited in many countries. As far as road safety is concerned, it has been argued that individuals cannot rationally determine their

¹⁰ These barriers could alternatively be regarded as methodological barriers, but they are “deeper” in the sense that those rejecting CBA for philosophical reasons probably would not alter their position even if the methodology itself was considerably improved.

¹¹ Consumer sovereignty is the principle that the choices made by consumers with respect to how to spend their income are respected and are treated as data. Economists are not moralists. They will not say that someone who spends most of his income on alcohol, tobacco and unhealthy foods is a fool, whereas someone who saves part of his income for old age, while spending the rest prudently on safe foods and safe activities is a wise person. Economists simply treat individual demand for various goods and services as data.

demand for it, since they do not fully know the risk of accidents. This claim can to some extent be tested empirically. Whether or not incomplete knowledge of road accident risk is a convincing argument for denying consumers the sovereignty to influence the provision of road safety is a matter of judgement. There are many commodities that consumers are allowed to buy, although their long term effects on human health and well being are imperfectly known. Automobiles are a case in point. Why, one might ask, should not consumers be allowed to decide whether they want more road safety to be provided, when they are allowed to buy the product that is the source of the risk?

One may also reject valuation of non-market goods in CBA is based on the willingness-to-pay principle. Assessing willingness-to-pay for non-market goods is a complex task, involving many potential sources of error. Hence, a common objection to the willingness-to-pay principle, is that it is not possible to obtain credible estimates of willingness-to-pay. A more fundamental objection is that willingness-to-pay depends on ability to pay. The rich can afford to pay more for road safety than the poor. If the distribution of income is highly unequal, an indiscriminate use of the willingness-to-pay principle may lead to the provision of non-market goods, like road safety or cleaner air, only to the richest groups of the population. Since road accidents represent a threat to human health, one could argue that all groups of road users ought to have equal access to measures intended to improve road safety, irrespective of their individual demand for it.¹²

Some will also argue that the use of the potential Pareto improvement (PPI) criterion for CBA will not actually involve compensation of losers. One may therefore fear that a consistent use of CBA in public policy would create an underclass of permanent losers (with “low” willingness-to-pay for safety measures and facing “high” project costs, in terms of, e.g., fees introduced to financing the safety measures), who would never be compensated. A related point

¹² In response to these points of view, three arguments can be made in favour of basing the provision of road safety on the demand for it, as manifested in the amounts that individuals are willing to pay for safer roads. In the first place, it is never the case that the provision of road safety – at least when it is a public good – can be matched exactly to individual demand for it. The rich may state that they want to pay a lot for road safety, the poor may state that they cannot afford to pay anything, but both groups benefit when roads or cars are made safer. It is just not possible to match supply and demand at the individual level, as opposed to the case for most market goods (in the sense that, as a rule, we buy the mix of commodities that gives us the greatest satisfaction). In the second place, it is in principle possible to convert the amounts of money individuals are willing to pay for road safety to utility terms, by estimating the marginal utility of money. By converting monetary amounts to units of utility, one may account for the fact that giving up 1,000 Euro is a much smaller sacrifice for a rich man than giving up, say, 250 Euro would be for a poor man. At present, however, converting money to utility is not an easy task. In general, economists will recommend using the willingness-to-pay principle provided it does not lead to unacceptable changes in income distribution. What counts as “unacceptable” in this respect is, of course, ultimately a political question. In the third place, basing the provision of road safety on the demand (willingness to pay) for it ensures that it is not overprovided. Road safety is overprovided if overall welfare can be improved by transferring resources from the provision of road safety to the provision of other commodities, or if the benefits of marginal road safety measures (as measured by willingness to pay) are smaller than the costs of those measures.

is that compensation would involve monetary transfers that are costly per se (due to efficiency losses from taxation and transfers).¹³

Also related to the issue above is the potential criticism against CBA for being neutral with respect to the distribution of costs and benefits. All that counts, is that overall benefits are greater than overall costs. CBA is not intended to help find the most equitable solution to a social problem, only the most efficient solution. As the above discussion has made clear, objectives related to the distribution of costs and benefits often figure prominently in public policy. To the extent that realising a desired distribution requires the use of other policy instruments than those sanctioned by CBA, it follows that actual policy priorities cannot be based on CBA exclusively.

The objections to CBA discussed in this section are all of a rather philosophical or fundamental nature. If one takes all the objections seriously, the use of CBA as an element of policy making becomes difficult to defend. It is important to recognise that all the objections discussed here are entirely legitimate, and are not based on an erroneous conception of CBA.

4.2.2 Rejecting efficiency as the criterion for the best solution (A2)

Some may be of the opinion that economic efficiency in the strict sense of the term is too narrow to serve as the single criterion for the best solution to a given problem. In addition to being reasonably efficient, the solutions sought for social problems ought to be:

1. Equitable, that is not introduce unacceptable inequality in the distribution of costs and benefits.
2. Legitimate, that is rely on instruments of power that are accepted as morally defensible (the end does not justify the means).
3. Reversible, that is possible to change if one discovers that a mistake has been made.

These are relevant considerations in the choice of policy options in addition to the efficiency of those options. For the purpose of efficiency assessment, these considerations can be treated as constraints that any efficient solution must satisfy. The existence of constraints in the form of other relevant considerations than efficiency does not mean that efficiency is not relevant, only that it is constrained.

¹³ These costs should then be added to project costs, making the cost-benefit test more stringent. Finally, there is the problem of creating systems of transfers that would not give losers an incentive to overstate their losses. A neutral arbitrator would be needed in order to negotiate agreement between winners and losers, or the system of compensation would have to be a very simple one, based on fixed rates not subject to negotiation in each case. However, one may ask if implementation of (more) road safety measures based on CBA really would lead to substantial welfare losses for any clearly identifiable group of society.

4.2.3 Rejecting the monetary valuation of risk reduction (A3)

Some people find it unacceptable to value monetarily the prevention of fatalities and injuries. Hauer (1994) writes: “It is impossible to have preferences for an option involving the death of the deciding organism and it is meaningless to speak about them”. Others argue that it is ethically wrong to assign a monetary value to the saving of human life, thereby suggesting that life-saving actions could be regarded as too expensive. One of the ethical principles of Vision Zero states that one should always do the utmost to save human life and never refrain from any life-saving action by reference to an abstract economic criterion. Human life, it is argued, is incommensurable with other goods. It cannot meaningfully be made commensurable with other goods by means of a monetary valuation of risk reductions, even if these valuations refer to “statistical lives” only and not to specific individuals.¹⁴

Any ethical principles intended to guide policy in a world of scarcity must recognise that scarcity and not pretend that tradeoffs do not have to be made, just because those tradeoffs are unpleasant and may strike us as cynical. The ethical objections against a monetary valuation of human life are thus unconvincing. It may nevertheless in practice be regarded as more legitimate to state tradeoffs in non-monetary terms, such as QALYs, in order to avoid giving the somewhat misleading impression that human lives are being sacrificed for the sake of cheaper groceries.

4.3 Institutional barriers (B)

4.3.1 Lack of consensus on important policy objectives (B1)

Some will maintain that political controversies cannot be resolved by resorting to calculations of how much various policy objectives are “worth” in monetary terms. If people disagree about the political objectives worth pursuing, this disagreement must be resolved either by majority vote or by negotiations that bring the different opinions closer together.

¹⁴ The argument that it is unethical to assign a monetary value to human life rests on wishful thinking. The amount of resources available to save humans from untimely death or preventable injury is limited, as it always has been and always will be. It is simply an illusion to pretend that the prevention of death or injury – however laudable that objective is – can somehow escape from the resource constraint that any human activity is subject to. Tradeoffs have to be made; in fact they are made all the time. To pretend otherwise is an exercise in self-deception. This does not necessarily mean that the tradeoffs that must be made have to be stated in purely monetary terms. It is entirely possible to use another scale, such as QALYs (Quality Adjusted Life Years; generally defined so that being dead has the value of 0, and being in a state of perfect health has the value of 1). One would then convert a road traffic fatality to an average number of QALYs lost; a serious injury would correspond to a different number of QALYs lost, and so on. It is even conceivable to convert travel time to the QALY scale, thus making it possible to trade off additional travel time against gains in road safety in terms of QALYs. Money would then only enter the efficiency assessment as a measure of cost; yet even cost estimates could be converted to QALYs. This could be done by studying the relationship between gross national income and average quality of life in a society, stated in terms of QALYs. An expenditure representing X percent of GDP per capita, would then be associated statistically with a loss of Y QALYs per individual.

By the same token, if preferences for the provision of a certain non-market good are very heterogeneous, relying on the population mean willingness-to-pay as a measure of the demand for the good may be dubious. A sizable proportion of the population will then feel that their demand is not being satisfied, while perhaps an equally large proportion of the population will think that the good is being overprovided. Willingness-to-pay has often been found to be positively skewed, meaning that a few high values significantly influence the mean. In many cases, median willingness-to-pay is substantially lower than mean willingness-to-pay. Economic theory clearly states that mean willingness-to-pay is the correct measure of demand, since multiplying the mean by the size of the group will accurately estimate aggregate willingness-to-pay (i.e. the sum of what all individuals are willing to pay). On the other hand, the majority of the population will think that a road safety budget derived from mean willingness-to-pay will be too large. If the median voter theorem of public choice theory is taken as a model of how best to aggregate individual preferences in a democracy, then median willingness-to-pay should be used as the basis for the provision of road safety. Although the median voter theorem is not intended normatively, it is not altogether unreasonable to interpret it normatively, since support for a policy option is maximised if that policy option conforms to the preferences of the median voter.¹⁵

4.3.2 Formulations of policy objectives that are inconsistent with the use of cost-benefit analysis (B2)

There is no requirement that policy objectives be quantified before performing CBA. In fact, setting quantified targets may be inconsistent with setting policy priorities on the basis of CBA. Suppose that an acceptably reliable estimate of the willingness-to-pay of the population for safer roads is available. A road safety programme is developed and a CBA performed. Suppose it turns out that cost-effective road safety measures (measures for which benefits are greater than costs) can reduce the number of road accident fatalities by 25%. Assume further that a quantified target has been set of reducing the number of road accident fatalities by 50%. It is then against the rules of CBA to tamper with the willingness-to-pay estimate in order to make a programme reducing the number of fatalities by 50% cost-effective. A more appropriate conclusion, consistent with the principles of CBA, would be to give up the target of a 50% reduction in fatalities, because the population is not willing to pay what it costs to reduce fatalities by 50%. This example illustrates both what the principle of consumer sovereignty implies and how a quantified policy target can be inconsistent with the application of CBA. In general, a consistent application of CBA is not supported by the existence of a quantified policy objective, since the most efficient solution in general will imply a quantity different from that fixed on beforehand.

¹⁵ It is beyond the scope of this report to offer precise guidelines as to when preferences become so conflicting or heterogeneous as to make CBA unproductive. It is, however, important to probe for heterogeneity of preferences as part of any CBA. For cost-effectiveness analysis, heterogeneous preferences is less of a problem.

4.3.3 Priority given to policy objectives inconsistent with the use of efficiency assessment tools (B3)

Policy makers usually have multiple objectives. Some of these objectives, such as promoting road safety or mobility can be handled within the framework of CBA without any theoretical problems. As noted above, this is more difficult when it comes to distributional objectives. Such objectives can be stated in a number of ways. Requiring a minimum standard for roads, independent of traffic volume, is an example of a distributional objective. Setting a target for reducing injury rates more for unprotected road users than for protected road users is another example of a distributional objective. Distributional objectives can be entered as constraints on the priorities set by efficiency assessment. However, if there is a large number of distributional objectives, finding appropriate policy options may be next to impossible. In general, one cannot pursue more targets (safety goals) than the number of instruments (road safety measures).¹⁶ Furthermore, distributional objectives may be better taken care of with other policies than a sector policy like transport.

4.3.4 Horse trading / vote trading (B4)

In principle, CBA could even be used to determine the optimal size of the budget. An optimal budget would be exactly large enough to deplete the pool of cost-effective measures (within a certain time frame), but not larger. Within an optimal budget, all those, and only those, measures whose marginal benefits were greater

¹⁶ The county of Vest-Agder in Norway set a target in the early 1980s to reduce the number of injured road users from 523 in 1982 to 350 in 1986. A target was also set to reduce the number of accidents from 382 to 280 during the same period. These main targets were broken down into a number of sub-targets: 1) The reduction of accidents in the weekend, i.e. between Friday evening and Monday morning should be twice as great as the reduction of accidents during the rest of the week. 2) The reduction of accidents in the city of Kristiansand should be twice as great as the reduction of accidents in other parts of the county. 3) The number of injured children and youth should be reduced more than the number of injured road users in other age groups. Separate targets were set for the age groups 0-14 and 15-24 years. 4) Separate quantified targets were set for pedestrians, cyclists, riders of mopeds or motorcycles and car occupants. The largest reduction in the number of injured road users was sought for car occupants. When combined, these targets represent a table of $2 \times 2 \times 3 \times 4 = 48$ cells. The set of targets implies a specific distribution of the number of injured road users in the cells of this table. It was not stated how the expression "twice as great" should be interpreted. A reasonable interpretation is that the percentage accident reduction should be twice as great. This means that if weekday accidents are to be reduced by 15%, weekend accidents should be reduced by 30%. The targets can be represented as a set of linear equations of the form $Y = A + 2X$ the solution of which yields the targeted number of injured road users. When the joint implications of these targets for the number of injured road users are worked out, it turns out that in order to realise all the targets, the number of injured road users above the age of 25, on weekdays outside Kristiansand, have to increase from 60 to 74. Unless this increase occurs, all the conditions of "twice as great" and so on will not be fulfilled. This extensive set of sub-targets is plainly absurd. The road to Hell is paved by good intentions. In this case, there are just too many good intentions. Having so many targets is like wearing a straightjacket. There is simply no way of identifying a set of road safety measures that would lead to the realisation of all targets. Seat belts, to take an example, are not twice as effective on Saturdays as they are on Wednesdays. Virtually the only part of the whole elaborate system of targets that could easily be realised, is to increase the number of injured road users above the age of 25 on weekdays outside Kristiansand. Simply offer them drinks along the road side and ask them not to belt up. That will do the trick (Elvik 1993).

than the marginal costs could be funded. However, public budgeting tends to be a rather conservative process, in which the budget for the current year is mainly based on last year's budget, allowing only for changes in prices and, usually, small changes in the volume of activity. Budgets therefore tend to be quite stable over time. The stability of public budgets over time is not just the result of the conservative bias built into the process by which budgets are prepared. In some cases, budgets are determined by means of a process of negotiation, or horse trading, resulting in a game-theoretic equilibrium that can be very stable and resistant to change. A case in point is the regional allocation of state funds for national road investments in Norway (Elvik 1995).

Imagine that there are five voters. These five voters are faced by five issues, all to be decided by majority vote. Each issue is an investment project which is of particular concern for one of the voters, but less important for the other four. Table 1 shows the net benefits (+) and net costs (-) to each voter associated with each issue.

Table 1: Numerical example of a horse trading game (also referred to in the literature as vote trading or logrolling). Five voters and five issues. Net benefits (+) or net costs (-) to each voter.

Voters	Issues				
	1	2	3	4	5
1	+10	-8	-3	-7	-4
2	-9	+20	-13	-1	-8
3	-6	-7	+15	-9	-5
4	-2	-1	-7	+30	-3
5	-2	-3	-2	-7	+10
Total net benefits	10	20	15	30	10
Total net costs	19	19	25	24	20
Benefit-cost ratio	0.53	1.05	0.60	1.25	0.50

Source: TØI report 785/2005

For voter 1, it is essential to ensure passage of issue 1. If issue 1, perhaps a local road investment project, is passed, voter 1 gets a net benefit of 10. Voter 2 takes a strong interest in issue 2, voter 3 in issue 3, and so on. The payoff matrix in Table 1 can be interpreted as a model of the provision of local public goods, funded by means of grants from the central government. Local road safety measures fit the description of local public goods. Since most traffic is local, the benefits are almost exclusively local, whereas the costs are spread among all taxpayers.

In order to ensure passage of issue 1, voter 1 needs the support of at least two other voters. The logic of the game of vote trading, or horse trading, is that: "I will vote for you if you vote for me". Voter 1 therefore starts looking for other issues he might be able to support. Issue 2 is not very attractive. It is expensive, carrying a net cost of 8 to voter 1. Issues 3 and 5 are the most attractive ones to support for voter 1. Voter 1 therefore approaches voter 3, whose salient issue is issue 3, to ask for his support. As it happens, voter 3 considers voter 1 an attractive partner, since voting for issue 1 only costs voter 3 a loss of 6, whereas voting for issues 2 and 4 carries a price tag of 7 and 9, respectively, for voter 3.

By an analogous reasoning, voters 1, 3, and 5 agree to form a coalition to vote for issues 1, 3 and 5. For voter 1, the net benefit of this solution is: $10 - (3 + 4) = 3$. For voter 3, the net benefit is: $15 - (6 + 5) = 4$. For voter 5, the net benefit is: $10 - (2 + 2) = 6$. Hence, all three voters in the coalition gain from the agreement and issues 1, 3 and 5 are passed by majority vote.

Society at large loses by this arrangement, however. At the bottom of Table 1 is shown the net benefits and costs to society of the five issues. It is seen that issues 2 and 4 have benefits greater than the costs, whereas for issues 1, 3, and 5, benefits are smaller than costs. If the budget were to be allocated according to a CBA, issues 2 and 4 would be funded. Issues 1, 3, and 5 would not be funded. However, if the budget is allocated according to a horse trading game, exactly the opposite happens. The least cost-effective proposals are supported, because it is in the interest of a majority to support these proposals.¹⁷

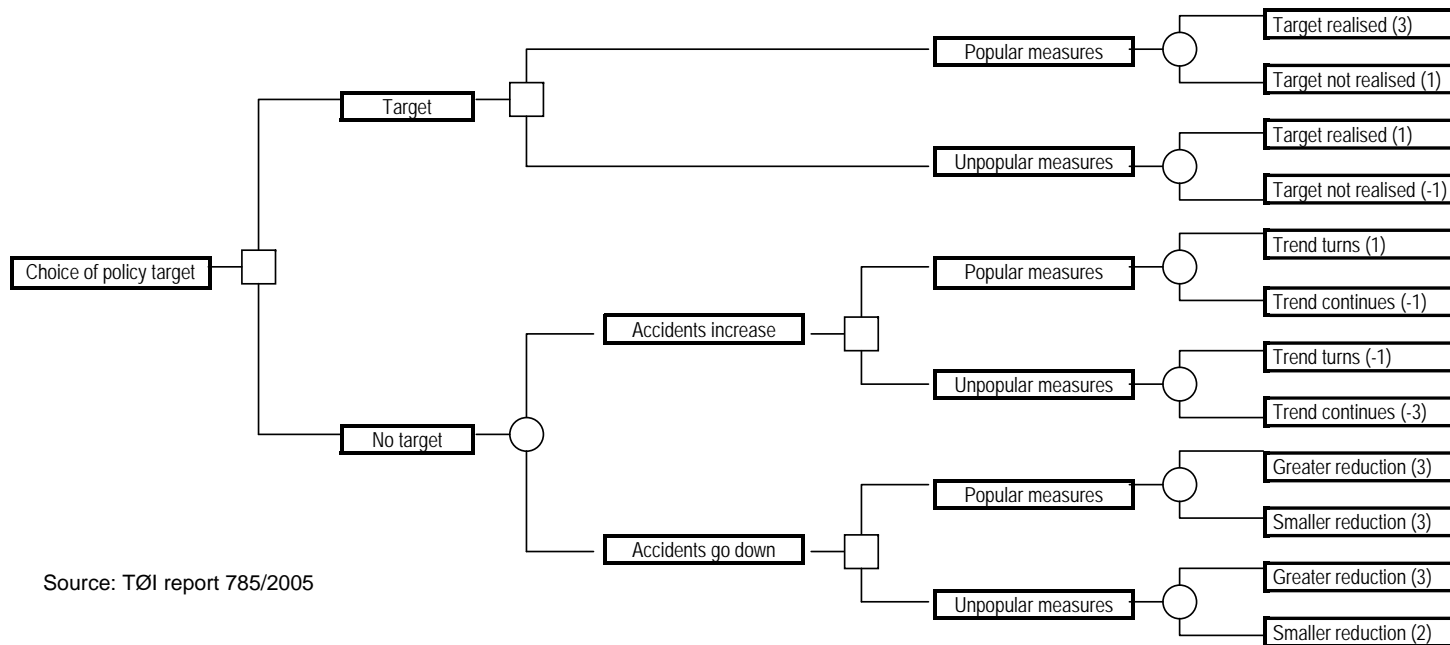
This barrier could alternatively be treated with respect to implementation. An efficiency assessment may have been performed, in the sense that the institutions per se do not hamper such analysis. The efficiency assessment provides a ranking of safety measures, from those most efficient to the lesser efficient, but the politicians then perform their horse trading ending up with a different ranking.

4.3.5 Political opportunism (B5)

For politicians, acting opportunistically can be very rational. By political opportunism is meant the tendency for politicians to act in ways that will maximise their popularity. To illustrate the temptation to act opportunistically, consider the decision to set a quantified road safety target. While such a target, as indicated above, can be a mixed blessing in a system designed to promote efficient priority setting, it can also have a number of useful functions and act as a catalyst for road safety policy.

Figure 3, reproduced from Elvik (2001) shows a decision tree for politicians faced with the choice of whether or not to set a quantified road safety target. The decision tree shows that it is sometimes rational for politicians to prefer vague policy objectives. This is easily shown by means of a model making fairly innocuous assumptions about the preferences of politicians. Figure 3 is a decision tree, showing the options facing politicians with respect to the formulation of road safety targets. The squares denote decision nodes, that is points at which a decision is made between the options that form the branches emerging from the squares. The circles denote chance nodes. These are points at which the outcome of a decision is determined partly by chance, meaning that politicians do not have full control of the outcome.

¹⁷ Analyses made by Elvik (1995) show that the regional distribution of state funds for national road investments in Norway is consistent with what a horse trading model would lead one to expect. Huge funds are given to remote counties, in which the benefits of the investments are smaller than the costs. It is important to understand that such a distribution can be explained in terms of rational choice theory, as the equilibrium solution to a horse trading game. Politicians who want to bring local benefits to their constituency are rational to engage in horse trading. A totally different system for determining the size of public budgets would need to be introduced in order to prevent horse trading from taking place. As long as it takes place, one cannot expect the allocation of budgets to be optimal from the point of view of CBA.



Source: TØI report 785/2005

Preference relations assumed, ceteris paribus:

Clear (quantified) targets > No clear targets

Popular measures > Unpopular measures

Reduction in accidents > Increase in accidents

Payoff for outcomes assumed, ceteris paribus:

Clear target: 1; No clear target: 1, if accidents go down; 0 if accidents are unchanged; -1 if accidents increase

Popular measures: 1; unpopular measures: -1

Accidents go down: 1; accidents increase: -1

Source: TØI report 785/2005

Figure 3: Decision tree for politicians

Politicians are faced with the choice of either setting a clear, perhaps quantifiable, road safety target, or not doing so. If a clear target is set, there is a choice between popular and unpopular measures to realise it. The measures taken, irrespective of whether they are popular or not, will either realise the target or they will not. These outcomes are indicated by the boxes to the far right in Figure 3. Inside each box, the payoff to politicians of that outcome is shown. The numbers denoting payoffs are meant as an indicator of ordinal preference only.

If a clear policy target is not set, it is assumed that the actions taken by politicians will depend on how the number of accidents develops. If accidents increase, politicians can take either popular or unpopular action to curb the increase. If accidents go down, the same options are available, but the need for exercising them will perhaps not be felt as equally pressing. Figure 3 shows that as long as accidents tend to decline, politicians are likely to prefer not setting a clear policy target. It is only when accidents increase that the option of setting a clear target becomes more attractive. Although this conclusion is bound to follow from the assumptions made in the model, it is still of some interest, as these assumptions are not highly unreasonable.

This barrier may also be regarded as sorting under the implementation stage, especially if the political opportunism influences policy making at a late stage of the assessment and decision-making. Thus, an efficiency assessment may have been performed, in the sense that the institutions per se do not hamper such analysis. Similarly to the case of horse trading the politicians alter the ranking list from the efficiency assessment.

4.3.6 Unfunded mandates and excessive delegation of authority (B6)

One of the most fashionable ideas of current governmental reform in many democracies, is to delegate as many tasks as possible to the lowest level of government. The arguments made for such reforms are that local problems are best solved at the local level, and that local government can be reinvigorated if it is given more tasks and more freedom to choose how to solve these tasks.

It is very often the case, however, that tasks are handed over to local government without any accompanying resources. Delegation of policy functions without the supply of additional resources is referred to as unfunded mandates. Local government is asked to perform a function, but is not given additional grants for it. For example, the Danish road safety plan for the period 2000-2012 makes the assumption that a number of road safety measures will be carried out at the local level, but does not provide funding for it.

The delegation of the responsibility for road safety to the lowest level of government, without extra funding, may make the use of formal efficiency assessment tools less likely and may lead to serious sub-optimisation. In the first place, small municipalities will rarely have technically trained staff to perform efficiency assessment. In the second place, the smallest municipalities have, at least in predominantly rural and sparsely populated countries like Norway, Finland or Sweden, a very low number of accidents per year – often less than 10 injury accidents per year. Such a low number of accidents may not be felt as a problem. In the third place, small municipalities have fewer road safety measures

to choose from than national governments. They cannot issue vehicle safety regulations. They cannot introduce police enforcement. They cannot afford large road investments. In short, delegation of road safety policy to local government is likely to lead to a less systematic planning of road safety measures, a “tunnel vision” analysis of road safety problems, in which only the most trivial local problems are seen, and the bigger picture is lost, and hardly any use of efficiency assessment tools as an aid in setting priorities for road safety measures.

4.3.7 Abundance of resources (B7)

Studies of the influence of cost-benefit analyses on priority setting for road investments in Norway (Fridstrøm and Elvik 1997, Nyborg 1998) show that actual priorities are only weakly related to the results of these analyses. Nearly half of the investment projects that are funded by the national government have benefits smaller than the costs. These projects are nevertheless funded, for “other reasons”, the nature of which is almost never revealed, other than their contribution to overall welfare. In the long run, say during a period of some 10-12 years, virtually all the investment projects proposed for national roads in Norway that have ever been proposed are implemented, including those whose benefits are frightfully close to zero.

In fact, one may ask whether the formal priority setting process for road investments is merely a ritual act. Evidence from interviews of Norwegian politicians suggests that the road sector has an abundance of money, and does not really need to set priorities. It gets everything it asks for. Thus Nyborg writes (1998, 398): “In our data, there was some evidence that the total amount of money allocated to construction of national roads was quite generous, as compared to other Norwegian public sectors. For example, when asked which projects they were against, several respondents could not remember any. If it is true that the budget restriction did not bind too tightly, this may have contributed to a political situation where efficiency was less important.” Why indeed bother about efficiency, when funding is so generous that every project ever proposed is ultimately realised, no matter how small its benefits.

Certainly, even this barrier could alternatively be categorised under the implementation stage. From the Norwegian examples it is clear that efficiency assessments have been performed, such that the institutions per se do not restrict such analysis to be executed. The ranking of projects from efficiency assessment is available to the politicians, but they pre-determine a budget that does not limit the set of projects to only the efficient ones (benefit-cost ratio above unity, following from CBA).

4.3.8 Rigidity of reallocation mechanisms (B8)

There is scarcity of resources whenever cost-effective measures cannot be implemented for a lack of funding. Relative scarcity and rigidity of budget reallocation mechanisms can prevent priorities from being set strictly according to efficiency criteria, as can be illustrated by the hypothetical example given in Table 2.

Table 2: Relative scarcity and rigidity of budget reallocation mechanisms – an example with two sectors and eight measures.

Sector 1: Budget 500			Sector 2: Budget 1,000		
Measure	Benefits	Costs	Measure	Benefits	Costs
A	700	300	E	300	300
B	400	200	F	200	300
C	150	100	G	100	200
D	120	100	H	50	200

Source: TØI report 785/2005

Sector 1 has a budget of 500, allowing for measures A and B to be implemented, yielding a total benefit of 1,100. Sector 2 has a budget of 1,000, enough to implement all its measures, giving a total benefit of 650. Overall benefit is 1,750 for an overall cost of 1,500. If the budget for sector 2 is reduced by 200, which is transferred to sector 1, sector 2 would drop measure H, while sector 1 could introduce measures C and D. Total benefits would then become 1,970, while total costs would become 1,300. Rigidity in public budgeting systems often makes this kind of transfer difficult, or impossible. The result is that overall priorities (across sectors) become less efficient than they would if transfers between sectors were possible. In economic thinking the case is made for allocation of resources to its most profitable utilisation, also across sectors, not for earmarking transfers.

This barrier could alternatively also be categorised with respect to the implementation. Thus, efficiency assessments have been performed, in the sense that the institutions per se do not hamper such analysis. The ranking of projects from efficiency assessment is available to the decision-makers, but the pre-determined budgets limit the scope and combination of projects, conflicting with the ranking given from CBA. As indicated, from the point of view of efficiency it can be considered as an inefficient arrangement if budget rigidity hinders the implementation of the most efficient projects.

4.3.9 The timing of efficiency assessment in the policy making process (B9)

Barriers related to the timing of efficiency assessment in the policy making process may have two opposite effects. One timing aspect relates to its screening of specified measures, while another relates to its effect on actual implementation of efficient measures.

Seen from the first aspect efficiency assessment functions as a screening device. Once a measure is found to be inefficient, it is dropped from further consideration. It is therefore essential to conduct a broad survey of potentially effective road safety measures before embarking on formal efficiency assessment. The objective of a broad survey of potentially effective road safety measures is to make sure that every measure is included. Unless a broad range of potentially effective measures is included, one cannot be sure that the measures that are found to be cost-

effective really are the most cost-effective measures. From this aspect formal efficiency assessment should therefore enter the planning of road safety policy at a comparatively late stage. A premature introduction of formal efficiency assessment can lead to erroneous conclusions, by failing to consider promising measures.

However, from the other aspect of influencing policy implementation, performing EAT at a too late stage may diminish the influence on the prioritisation when measures are to be realised. After the screening of relevant (physically effective) measures, the economic efficiency analysis should probably come into the stage swiftly in order to carry weight at the end of the final decision-making process (BCI 2002, OEEI 2003).

4.4 Technical / methodological barriers (C)

4.4.1 Lack of knowledge of relevant impacts of potentially effective measures (C1)

A formal efficiency assessment, whether it is cost-effectiveness analysis or a CBA, requires quite detailed knowledge about relevant impacts of the measure. For a cost-effectiveness analysis, one needs to know at least the following:

1. The types of accidents or injuries affected by a measure, and an estimate of their long term expected values, preferably partitioned according to accident or injury severity.
2. An estimate of the effect of a measure on accidents or injuries, again preferably specified according to accident or injury severity.
3. An estimate of the cost of a measure, both the cost to the public sector and any private costs.

In a CBA, there is also a need to know any other impacts of a measure, in addition to impacts on road safety. Finally, but not least important, all relevant impacts must be valued in monetary terms.

Although very many road safety evaluation studies have been reported, and the effects of a large number of road safety measures can be estimated with acceptable accuracy, there are still measures whose effects are unknown.¹⁸ When entirely new measures are introduced, it is obvious that their effects will be unknown. If a road safety measure were to be applied only when its effects are well known, it would become difficult to introduce new measures. In this sense,

¹⁸ Lack of knowledge of relevant impacts of a measure may make it impossible to perform a formal efficiency assessment. In addition to safety impacts, for CBA one would also want to know the impacts on mobility (travel time) and environmental quality (air pollution, noise). In an analysis of road safety policy in Norway (Elvik 1999), a total of 132 potentially effective road safety measures were surveyed. For 13 of these measures, efficiency assessment was impossible because relevant safety impacts were too badly known. In a similar analysis for Sweden (Elvik and Amundsen 2000), 139 potentially effective road safety measures were surveyed. A total of 15 measures were classified as having too badly known impacts for an efficiency assessment to be made.

formal efficiency assessment tools have a conservative bias: These tools are more readily applied to measures that are tried-and-tested, than to more innovative measures.

4.4.2 Lack of monetary valuation of relevant impacts (C2)

In order to do a CBA, all relevant impacts of a measure should, at least ideally speaking, be valued in monetary terms. If not all relevant impacts are included, a cost benefit analysis can give biased and highly misleading results. Consider, e.g., road safety measures that are primarily intended to benefit pedestrians or cyclists. In addition to influencing road safety, facilities for pedestrians or cyclists are likely to have a number of other impacts for which no credible, or at least no firmly established, monetary valuation exists.¹⁹ These potential impacts include:

1. Savings in travel time. Values of travel time tend to be estimated for motorised travel only, not for pedestrians or cyclists.
2. An increased feeling of safety. Separate facilities for walking or cycling make pedestrians and cyclists feel safer. No adequate monetary valuation of this impact exists.
3. More advantageous route choices. When previously disconnected roads are connected to form an integrated road system for walking and cycling, more advantageous route choices become available. The benefits of these should be assessed in terms of the generalised costs of travel by foot or by cycle. Again, however, estimates of the generalised costs of travel are not available.
4. Walking or cycling as a form of exercise. Some people may take up walking or cycling as a form of exercise. The benefits to public health of this impact are poorly known and inadequately valued in monetary terms.

Sælensminde (2002, 2004) has attempted to include as many impacts of facilities for walking or cycling as he could in an “ideal” CBA, which was of course not really ideal, since a number of the monetary valuations used in it are highly preliminary. It is nevertheless clear that the lack of monetary valuations of many relevant impacts of measures for pedestrians and cyclists introduces serious bias in current cost-benefit analyses.

This sort of bias can be eliminated by obtaining valuations of all relevant impacts of a measure. Once the number of impacts starts to grow, one should take care, however, to avoid double counting of impacts. Another example of the lack of monetary valuation of relevant impacts, also involving important environmental impacts, is given in Elvik and Amundsen (2000).

¹⁹ Illustrative, albeit somewhat hypothetical, examples of this can be found in Elvik (2000).

4.4.3 Indivisibilities (C3)

Strict optimisation requires a marginal analysis of measures. A marginal analysis is an analysis which seeks to determine marginal costs and marginal benefits of a measure. To perform a marginal analysis, it must be possible to vary the level of use of the measure in small steps, and examine the additional costs and benefits associated with each of these small steps. For many road safety measures, a marginal analysis is in principle possible. Conversion of junctions to roundabouts, for example, can reasonably be modelled as a process involving perhaps hundreds of steps, each one involving the conversion of one junction to a roundabout. In Norway, as an example, there is now about 1,100 roundabouts. In principle, each of these, as well as candidates for future conversion, could be ranked according to benefit-cost ratio, thus finding exactly the point at which marginal cost and marginal benefits were equal. Converting junctions to roundabouts would be cost-effective up to this point, but not beyond it. Additional conversions would then produce smaller benefits than costs.

In order to perform a meaningful marginal analysis, two assumptions must be fulfilled:

1. Each road safety measure should be used in the technically most effective way (at the frontier of production technology).
2. The idea of varying the level of use of a road safety measures in so small steps as to approximate a continuous function should make sense.

Indivisibilities refers to a violation of the second assumption. Indivisibilities typically arise in two cases. The first case is legislation. Legislation normally has to apply to the whole country and all citizens. Take mandatory use of daytime running lights as an example. Driver accident involvement rates vary. Some drivers are so rarely involved in accidents, that – for these particular drivers – the benefits of using daytime running lights are smaller than the costs. It is, however, impossible to reliably identify the safest drivers and exempt them from a law requiring the use of daytime running lights. The law has to apply equally to everybody. It may not be the case that benefits are exactly equal to costs; in this sense strict optimisation may not be possible.

The second case of indivisibilities concerns technical standards set for road maintenance and traffic control devices. Any road that is open to traffic needs to be maintained to a certain minimum standard, irrespective of traffic volume. Snow must be cleared, pavements renewed, illegible signs replaced, and so on. It is convenient, and likely to save substantial administrative cost, to standardise as many maintenance functions as possible by setting standards for them. In practice, this means that roads are usually classified into a few classes. High-volume arterial roads are maintained and operated at higher standards than low-volume rural roads. The standards set will, however, not necessarily correspond exactly to the optimal level of maintenance for a specific road. The standards introduce an indivisibility that could in principle be removed, but would then need to be replaced by administrative decisions made on a day-by-day, case-by-case basis (“Should we clear this road of snow, or should we forget about it? Nobody is going there anyway”).

4.4.4 Uncertainty (C4)

There are numerous sources of uncertainty in the estimated effects of road safety programmes. Elvik and Amundsen (2000) identify the following sources of uncertainty:

- 1 Uncertainty in the definition of the target group of accidents or injuries affected by each road safety measure.
- 2 Random variation in the number of accidents or injuries affected by each road safety measure.
- 3 Incomplete and variable reporting of accidents or injuries in official accident statistics.
- 4 Random variation in the estimated effect of each road safety measure on the number or severity of accidents or injuries.
- 5 Unknown sources of systematic variation in the effects of each road safety measure on the number or severity of accidents or injuries.
- 6 Incomplete knowledge with respect to how the effects of each road safety measure are modified when it is combined with other road safety measures to form a strategy consisting of several measures affecting the same group of accidents or injuries.
- 7 Uncertain estimates of the societal costs of accidents or injuries and the value of preventing them.
- 8 Uncertainty with respect to the duration of the effects of each measure on accidents or injuries.

At the current state of knowledge it is not possible to meaningfully quantify all these sources of uncertainty. With respect to the possibility of quantifying the sources of uncertainty, conclusions from Elvik and Amundsen (2000) are given in Table 3.

Table 3: The possibility of quantifying the source of uncertainty.

Source of uncertainty	Possibility of quantification
1: Which accidents or injuries are affected	In principle, quantification is possible; in practice this is rarely considered
2: Random variation in count of accidents or injuries	Can easily be quantified by relying on the Poisson probability law
3: Incomplete accident reporting	In principle quantification is possible; in practice it is usually disregarded
4: Random variation in effects of road safety measures	Can be quantified by relying on confidence intervals for estimates of effect
5: Unknown systematic variation in effects of road safety measures	As long the sources of systematic variation remain unknown, it is difficult to account for them
6: Modification of effects when	Too little is known about it to quantify this

several road safety measures are combined	source of uncertainty
7: Uncertain monetary valuation of road safety	Part of the uncertainty can be quantified; part of it is not of a statistical nature
8: Uncertain duration of effects	Very difficult to quantify at the current state of knowledge

Source: Elvik and Amundsen (2000)

In traditional normative decision theory, a distinction is made between four cases, depending on how well known the potential consequences of a decision are:

1. Decisions under certainty: All consequences are known with certainty.
2. Decisions under risk: All consequences are known and their probability of occurrence can be estimated.
3. Decisions under uncertainty: All consequences are known, but their probability of occurrence is unknown.
4. Decisions under ignorance: Not all consequences are known, nor can their probabilities of occurrence be estimated.

Decisions made about road safety measures represent a mixed case. Some of the consequences of these decisions are fairly well known, others are less well known, and some may not be known at all. This means that it is rather difficult to adequately describe the uncertainty inherent in such decisions.

One rarely sees any attempt to discuss, let alone quantify uncertainty, in formal efficiency assessment. This is regrettable. In some cases, uncertainty will be so great that it ought to be considered explicitly when decisions are made. Consider, as an example, the two road safety measures shown in Table 4.

Table 4: Benefit-cost ratio versus uncertainty.

Measure A	Measure B
Best estimate of benefit cost-ratio: 2.0	Best estimate of benefit-cost ratio: 1.5
95% prediction interval for benefit-cost ratio: 0.5 – 3.5	95% prediction interval for benefit-cost ratio: 1.2 – 1.8

Source: TØI report 785/2005

In this case, a decision maker disregarding uncertainty would opt for measure A. A decision makers who considered uncertainty might want to prefer measure B, since it gives an assurance that benefits will be greater than costs. In that case, an explicit consideration of uncertainty would lead to a different choice from that based strictly on the best estimate of the benefit-cost ratio.

4.5 Barriers related to the implementation of efficient road safety measures (D)

4.5.1 Social dilemmas (D1)

Costs and benefits of road safety measures can be assessed from various perspectives. CBA takes a societal perspective, in which all impacts are included and valued according to market prices or the willingness-to-pay (for non-market goods). Road users may adopt another perspective. From the road user perspective, some of the impacts that are relevant from the societal perspective will be external, and will therefore not be included. Two examples will be given to illustrate this point.

The first example concerns the use of studded tyres. Several cost-benefit analyses of this measure have been made in Norway. One of these analyses, made by Christensen (1993) is particularly illuminating. The main results of the analysis are summarised in Table 5.

Table 4: Societal versus user perspective on studded tyres.

Item	Amounts in million NOK (1 NOK \approx 0.12 EURO)	
	Gains (favourable impacts)	Losses (adverse impacts)
Gains and losses to road users		
Accidents	132.5	
Travel time	53.1	
Additional trips made	5.0	
Costs of studded tyres		95.2
Fuel consumption		44.0
Total impacts	190.6	139.2
Gains and losses external to road users		
Accidents	61.4	
Road wear		46.4
Air pollution		180.0
Total impacts	61.4	226.4
Gains and losses for society as a whole		
Total impacts	252.0	365.6

Source: Christensen (1993)

Cars having studded tyres have a lower accident rate than cars not having studded tyres. They are driven slightly faster, and owners tend to cancel fewer trips because of slippery roads. On the other hand, studded tyres cost more than standard tyres, and are associated with a small increase in fuel consumption. Still, from the road users' point of view, studded tyres make sense. Private benefits are greater than costs, for road users (car owners), so it is not surprising that many car owners opt for studded tyres.

The external impacts of studded tyres are, however, quite significant. Part of the benefit in terms of fewer accidents is an external benefit, since part of the costs of accidents are external from the road users' point of view. However, studded tyres wear down roads. Moreover, the grinding of the road surface by the studs tears off particles, which are suspended in air and may impair health, in particular by worsening the condition of people who suffer from respiratory diseases. Inhalation of micro-particles may also lead to premature deaths. These external impacts are clearly negative. When impacts for road users and external impacts are added, losses are larger than gains. Although it is correct in an economic CBA to include all external effects, the fact that an identifiable group of road users perceive a net benefit, which is primarily driven by expected safety gain, creates a social dilemma. Car owners will prefer studded tyres, as the advantages are greater than the disadvantages. From a societal point of view, on the other hand, studded tyres should not be allowed.²⁰

A second illustration involves the determination of optimal speed limits. The optimal speed limit is that speed limit which minimises the total costs to society of travel. From the drivers point of view, the major impacts of speed choice include travel time, the risk of accidents, fuel consumption and the pleasure of choosing a preferred speed. From a societal point of view, environmental impacts should be considered in addition to the impacts that drivers take into consideration. Moreover, part of the cost of accidents are external; hence drivers are likely to underestimate the impact of speed choice on the accident rate.

Elvik (2002) has estimated optimal speed limits for Norway and Sweden based on four different perspectives. Comparing the road user perspective and the societal perspective for Norway gave the results shown in Table 6:

²⁰ Indeed, also the car owners will benefit from reduced air pollution and less road wear. However, the individual car owner will regard his or her own negative contribution from using studded tyres as negligible (a 1/n effect). Even if, for the whole group of car owners, air pollution and road wear is added to the losses from the use of studded tyres, this group may still come out with a net benefit from using studded tyres. Notwithstanding this, the preference among car owners for using studded tyres is not homogeneous, and instead of considering (only) a ban on the use of studded, the government could introduce a tax on its use, reflecting the external cost on air pollution and road wear. Then the car owners would pay the cost of the external effects they cause, and the use of studded tyres would be reduced to its "optimal level".

Table 6: Societal versus user perspective on optimal speed limits.

Category of road	Optimal speed limits in km/h by perspective	
	Road user perspective	Societal perspective
Motorway class A	110	100
Motor traffic road	90	80
Rural main road	80	70
Urban arterial road	60	50
Access road	50	40

Source: Elvik (2002)

As can be seen, the speed limits that are optimal from the road users' point of view are always higher than those that are optimal from the societal point of view. This can obviously create conflicts. If government wanted to introduce optimal speed limits, many road users would protest and argue that those limits were too low.

The existence of social dilemmas is probably a major reason why not all road safety measures whose benefits are greater than the costs are introduced. Road users view the impacts of these measures from a different perspective. The fact that, from a societal point of view, benefits are greater than costs does not by itself make a road safety measure popular. Clearly, this is closely related to the issue of who pays and who loses, presented in section 3.3.

4.5.2 Lack of power (D2)

Suppose one of the progressive countries of the world, let us say Sweden, wanted to introduce technology for intelligent speed adaptation as a new safety standard for cars. Would the Swedish government be able to do that? Not likely. The European Union strives to harmonise vehicle safety standards. If one member country were suddenly to set different safety standards from all other countries, this would probably be considered as trade discrimination, since any new safety standard would add to the costs of a car. In short, the Swedish government does not have the power to introduce national safety standards for motor vehicles.

Lack of power may prevent some cost-effective road safety measures from being introduced. In particular this is likely to apply to a number of vehicle safety standards, that some national governments might want to introduce unilaterally, but no longer have the power to do so. This may also be seen as an error in the design of institutions – that the power to make decisions is not placed at the level of government that has the greatest interest in exercising the power.

Alternatively this barrier could be categorised as an institutional barrier. The institutional setting and apportion of responsibilities between decision levels may actually hinder the carrying out of efficiency assessment in this case.

4.5.3 Vested interests (D3)

There are vested interests in road safety programmes. In discussing the problem of performing good road safety evaluation studies, Ezra Hauer (1991:136) writes: “Now, it is the nature of road safety that it is not visible to the naked eye. Nobody can tell whether a programme was a success or failure unless trained and independent researchers are given the opportunity to devise and carry out long-term studies. By the time estimation of programme effect is possible, the public body has already developed a large stake in its success. Under these circumstances why should the stewards of public bodies wish to find out what effect their programme has had? Nobody is attracted by the possibility of political, institutional, professional or personal embarrassment. The upshot is that programmes are rarely evaluated, and if evaluated, this is done “in-house”, with success eagerly sought and failure unpublicised. In this inhospitable soil, spindly flowers of factual knowledge grow in the shadow of the weeds of misinformation.”

One can easily give examples of how vested interests in road safety programmes have developed and are stifling research, or at least trying to fight it back. In Norway, the association of driving schools has for a long time successfully lobbied the Public Roads Administration to set very strict standards for obtaining a driver licence. Teenagers in Norway who want to learn to drive, are required to undergo an extensive training programme, costing thousands of kroner. There is no evidence that any of the various training programmes that have been introduced over the years improve safety.

The consequence of the way policy concerning driver training is made in Norway, is that no serious CBA of different training schemes has ever been made. CBA is not applicable to driver training, it is argued, because “we need to train drivers no matter what it costs”. Besides, it is argued that: “trying to measure the effects of training in terms of accidents is misguided; other indicators should be used”. Regrettably, rational analysis has so far been driven out by religious gobbledygook, propagated by powerful commercial interests that government has so far not been able to stand up to.

4.5.4 Lack of incentives (D4)

It is sometimes argued that: “Since road accidents impose such huge costs on society, there must be a lot of profitable opportunities to invest in road safety measures that will reduce these costs.” This argument is flawed. The mere fact that road accidents impose huge costs does not mean that reducing these costs will be easy. Indeed, not even the fact that a road safety measure has been found to be very cost-effective guarantees that it will be implemented. Consider the case of police enforcement. The current status can be summarised as follows: It is apparent that violations of road traffic legislation is a major road safety problem, and that increasing enforcement can reduce this problem. Cost-benefit analyses show (e.g., Elvik 1999a and Elvik and Amundsen 2000) that even quite substantial increases in the amount of police enforcement – such as trebling the number of officers – would give benefits greater than costs. Still this does not happen. Why not? The reasons are probably related both to the way the police

currently organise their work, and to a lack of incentives. The police have many duties. Most of the time, the police act only when a crime is reported and resources need to be deployed to solve the crime. Trying to reduce traffic violations by doing more enforcement is a task, which by its nature differs from many other tasks assigned to the police.

In the first place, the police have to go looking for violations on their own, rather than waiting for reports from the public. In the second place, most traffic violations are minor. There is usually no victim of the crime. Most of the time, speeders do not have accidents; they simply reach their destinations sooner than those who do not speed. While homeowners are grateful when burglars are caught, few speeders rejoice at the sight of a police patrol. In the third place, to the extent that the police are successful in detecting and prosecuting traffic violators, traffic enforcement will be reduced. Successful traffic enforcement brings about its own demise: Why should police officers waste their time watching over road users who are perfectly compliant? If the police succeed in bringing down violations, they will therefore be tempted to reduce the amount of traffic enforcement, at least temporarily, until the number of violations starts rising again. In the fourth place, the benefits of more effective traffic enforcement in terms of fewer accidents are, in a sense, invisible. Nobody records accidents that were prevented, only those that occur.

For these reasons, it is likely that there is too little traffic enforcement in many countries. Can the barriers to increasing traffic enforcement be removed, or at least made less powerful? The key to getting more police enforcement and to promoting the optimal use of enforcement is to provide the right incentives for it:

- Firstly, there should be a dedicated traffic police, doing traffic enforcement only. That is the only way to prevent traffic enforcement from losing in the competition with other, perhaps more challenging, police duties.
- Secondly, the traffic police should be funded by income generated from traffic tickets. The more tickets the higher the income. This would give the police an incentive to do as much enforcement as they possibly could.
- Thirdly, the size of the tickets or fines imposed for various types of violations should be proportional to the accident risk represented by the violation. Drinking and driving has a major effect on accident risk. The fine for drinking and driving should therefore be substantial, say, 10,000 Euro at a BAC-level of 0.012. Illegal parking, on the other hand, may not have much of an effect on accident risk. For this type of violation the fine should perhaps be 10 Euro.
- Fourthly, the deployment of police manpower should be completely randomised. Why? There are three main reasons. In the first place, road users have an uncanny ability to detect the presence of police enforcement. Once a place gains a reputation for being frequently visited by the police, some road users will choose other routes, or behave nicely just at that location. If enforcement is completely at random, no such pattern can be detected and road users will be hard put to second guess the police. In the second place, randomisation will prevent the ebb and flow pattern that characterises traditional enforcement: intense enforcement followed by withdrawal, followed again by intense enforcement, and so on. In the third place, a random

deployment of police enforcement is equitable, in that, ideally speaking it gives every road user the same probability of encountering a police patrol. Today, one of the most common criticisms of the police is that they target some groups of road users more than others.

If enforcement could be organised the way described above, it is likely that both the amount of enforcement, and the targeting of enforcement to different types of violations, would be much closer to the social optimum than is the case today.

4.5.5 Lack of marketing (D5)

The desirability of implementing efficient road safety measures may seem obvious to many economists. To most ordinary mortals it is not necessarily so. In addition to social dilemmas, conflicts of interest and lack of power or incentives, the efficient solutions may in some cases be hampered merely by the lack of an information strategy related to, e.g., a CBA. Certainly, in some cases a CBA result may be hailed and propagandised by strong lobbyists that find themselves benefited, but in other cases the feeble voice of an economist may easily drown in the howling chorus of vested interests, sensationalist media or narrow-minded politicians. If it is regarded as important to use EAT in the decision-making process some concern should also be lent to the propagation of the results of the efficiency analyses. This includes both a pedagogical aspect – that the results should be presented in a comprehensive way, and an emphasising aspect – that benefits of road safety measures actually represent saved lives and limbs (BCI 2002, OEI 2003).

4.6 Alternative barrier dimensions

In the first part of the ROSEBUD project, Work Package 1 (BASt 2003), a main distinction of barriers is given between *use* and *implementation*. Barriers to use are presented as comprising the categories A, B and C, according to the typology used in this report. In Work Package 1 a main emphasis is given to the institutional barrier of not having mandatory efficiency assessment of road safety measures – or that it is not mandatory to include road safety impacts in CBA of infrastructure developments – (closely related to B2/B3), and to the technical barrier of lacking regular guiding on safety effects (closely related to C1).

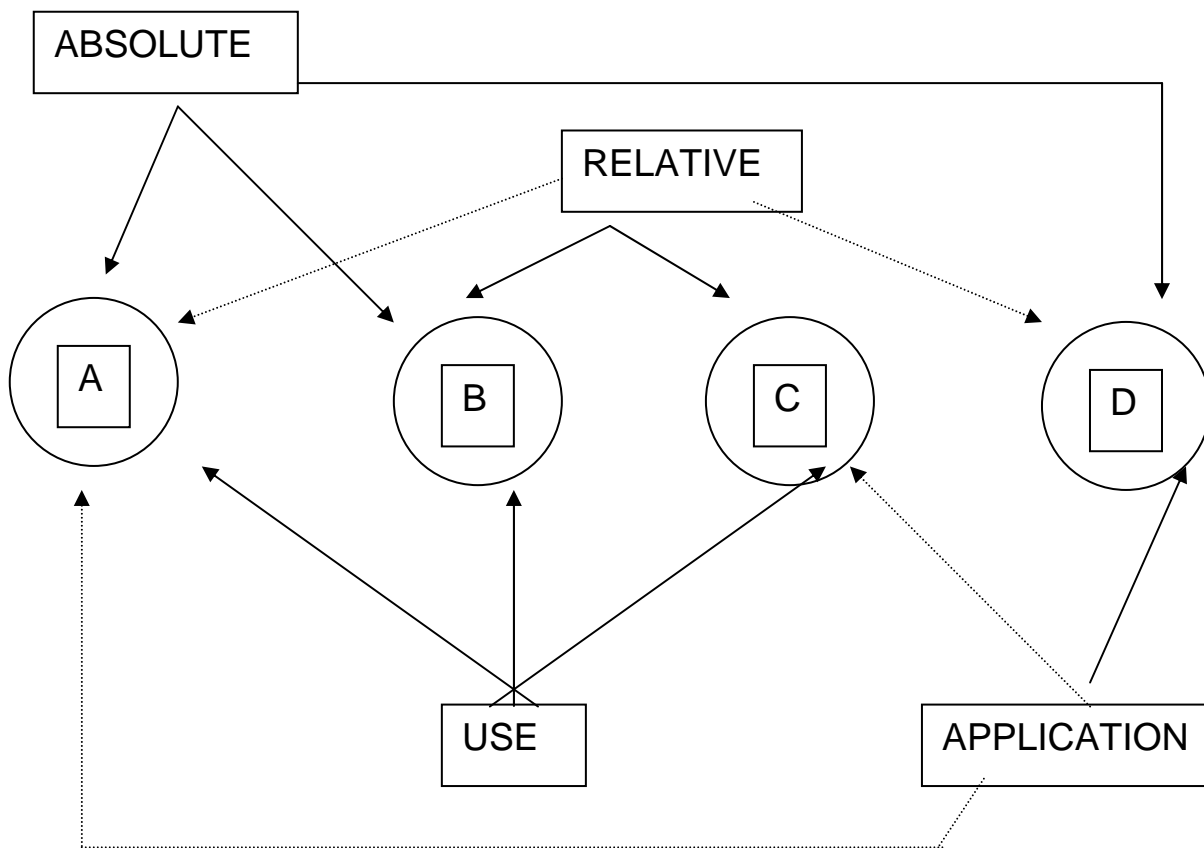
Barriers to the implementation basically amount to category D. However, it is also indicated that technical (methodological) problems may constitute a barrier to the implementation.

Although the main issue of this report is the identification of barriers, it should also glimpse ahead at possible solutions for the identified barriers, which is the topic of Work Package 3. Thus, barriers will be classified as *absolute* or *relative* (Bax and Wesemann 2003). Absolute barriers denote the barriers that are not readily influenced by proposals from the Thematic Network ROSEBUD. These comprise primarily barriers related to the implementation (category D) and the institutional barriers (category B). It is reasonable to assume that barriers well-rooted in policy implementation and, partly, in the organisation of policy making will not be surpassed or eliminated within any short-termed time horizon. One

might also reckon fundamental barriers (category A) among the absolutes, at least if it is presumed that such objections to EAT are not founded on lack of knowledge about EAT.

The relative barriers comprise primarily the technical barriers (category C). These barriers can in principle be influenced by providing improved knowledge and guiding on impact assessment, valuation methods for risk reductions, and treatment of uncertainty. Some institutional barriers, especially those closest linked to the technical barriers (like B9 and B2), could also constitute relative barriers. It could also be possible to influence the marketing/diffusion of policy advices based on EAT in the implementation phase (D5).

The barriers typology from A to D and its relation to the dimensions of use and implementation and of absolute and relative is illustrated in Figure 4. The typologies are detailed in Table 7.



Source: TØI report 785/2005

Figure 4: The typology of barriers and its relation to use-implementation and absolute-relative. A=fundamental, B=institutional, C=technical, D=implementation.

Table 7: Detailed typology on barriers.

	Barriers to use	Barriers to implementation
Absolute barriers (possibly not removable)	A1 Rejecting principles of welfare economics	
	A2 Rejecting efficiency as a relevant criterion of desirability	
	A3 Rejecting the monetary valuation of risk reductions	
	B1 Lack of consensus on relevant policy objectives	
	B2 Formulation of policy objectives inconsistent with EAT	
	B3 Priority given to policy objectives unsuitable for EAT	
	B4 Horse trading / vote trading	
	B5 Political opportunism	
	B6 Unfunded mandates and excessive delegation of authority	
	B7 Abundance of resources	
	B8 Rigidity of reallocation mechanisms	
		D1 Social dilemmas
	D2 Lack of power	
		D3 Vested interests in road safety measures
	D4 Lack of incentives to implement cost-effective solutions	
Relative barriers (possibly removable)	B9 Wrong timing of EAT information in decision-making process	
	C1 Lack of knowledge of relevant impacts	
	C2 Inadequate monetary valuation of relevant impacts	
	C3 Indivisibilities	
	C4 Inadequate treatment of uncertainty	
		D5 Lack of marketing of efficient policies

Source: TØI report 785/2005

The relevance and importance of the predetermined barriers to the use of EAT/CBA and application of its policy advices will primarily be assessed with respect to collected statements of European decision makers.

5 Interviews with decision makers

5.1 Questionnaire design

In order to assess the importance of barriers to the use of efficiency assessment tools (EAT) in road safety policy, under Work Package 2 of ROSEBUD it was decided to carry out interviews of decision makers. A convenience sample was to be established among those involved in road safety policy, primarily bureaucrats and experts, from various (geographical) decision-making levels, in each of the participating countries in Work Package 2. The questionnaire was primarily designed to elicit decision makers' own assessments of barriers to the use of EAT, especially CBA, in road safety policy. The questions comprised issues of the predetermined categories of barriers, i.e., relating both to the fundamental, the institutional, the technical, and to the implementation. However, the strongest emphasis was on technical/methodological issues and issues related to the organisation of policy-making (institutional), especially those that eventually can be influenced ("relative barriers").

A one-person pre-test of a first draft questionnaire was carried out in the beginning of May 2003. This was followed-up with minor adjustments and pilot testing of the new draft questionnaire on two decision makers in late May. Certainly, this forms a limited testing, but the period for design did not allow a more comprehensive development. Notwithstanding this, the limited testing indicated that the questionnaire functioned fairly well, and the main surveying was initiated on 4 June, at the national level of the participating partner countries in Work Package 2.

The following delimitations for the research in Work Package 2 were set: Concerning the level of decision-making, it was initially focussed on the national level. The questionnaire was first developed and applied for this level. Then some small changes were made before performing interviews at the local/regional level and the EU level. A relatively swift initiation at the national level was also adapted to the needs of Work Package 3, "Improvements in efficiency assessment tools", that would naturally follow-up the findings of Work Package 2. However, in general, the questions are comparable between decision levels.

The main questionnaire contained approximately thirty questions, including those asking for background information. It was designed for personal, face-to-face interviews. Although put into fairly fixed forms the questions were open-ended to enable the interviewees to broaden their opinions. Further, since the interviewees generally had a distinct aptitude to express themselves about the topic of the survey, it is probably not undue to characterise the interviews as a hybrid of quantitative and qualitative approaches.

The introduction to the questionnaire stressed the confidentiality of responses. The interviewees were also told that they would be asked about personal opinions and personal knowledge – not be confronted primarily with quizzes and

knowledge tests. Further, they were informed that the purpose of the interview was to learn more about the use of formal methods for impact assessment in planning and priority setting for road safety measures. Explanations were also given of the meaning of the concepts of impact of safety measures, CEA and CBA.

The initial questions concerned the interviewees own use of EAT and the use of these in the decision making process (Que. N1 – N6). Then followed the main question where the interviewee was asked to list major reasons for why EAT are not applied (Que. N7):

N7. In your opinion, what are the major reasons why cost-benefit analyses or evaluations of cost-effectiveness are not always performed for road safety measures?

Specific questions related to some of the predetermined barriers followed-up this main question (N8 – N23). The interviewees' opinion about (understanding of) CBA concepts and approaches was also assessed (N24 – N26), and some background characteristics were registered (N27 – N28, R1 – R3).

Slightly different approaches to the application of the questionnaire were taken in the different countries. In various cases the questionnaire was mailed to a respondent for self-administered filling-in, instead of conducting a personal interview. Since the sample consisted of experts rather than ordinary citizens, we have still chosen to include all observations in one pile. It will be noted in the qualitative country-specific summaries below if face-to-face or mail survey was performed.

For the evaluation of the responses the following should also be remembered. Those interviewed provide a mix of information about practices and attitudes in their respective institutions and organisations and their own personal practices and attitudes. To some extent the cast of the question will indicate if the response is a personal decision-maker indicator or a institutional indicator, but the division is not clear cut. Furthermore, we provide respondent background information only to the extent that identification of single respondents cannot be revealed. Related to the question about barriers, one question will be considered principal (Que. N7), asking openly about major reasons for not always applying EAT. Other questions ask about specific barrier topics, thus providing a stronger framing.

5.2 The levels of decision-making

5.2.1 The survey at the national level

The sample size at the national level was 50. This included 10 from Norway (No), 6 from The Netherlands (Nl), 6 from Germany (De), 12 from Italy (It), 5 from Hungary (Hu), 7 from the Czech Republic (Cz), and 4 from Israel (Il).

Most of the interviewees were from the bureaucratic level, about 30 from either the ministries of transport or public roads administrations. The rest were mostly

transport or road safety consultants, researchers or officials, with some few from the police. Only three politicians were included.

About half of the interviewees were in a manager/director position in their institution or organisation. And, nearly half of the interviewees had engineering background, with economics and law as the second and third most numerous backgrounds. Also, about half of the interviewees either worked with EAT on road safety or made decisions based on such tools. Most of the remaining made decisions based on non-economic approaches.

5.2.2 The survey at the local/regional level

The sample size at the local/regional level was 27. This included 4 from Norway (No), 4 from The Netherlands (Nl), 3 from Germany (De), 6 from Italy (It), 3 from Hungary (Hu), 3 from the Czech Republic (Cz), and 4 from Israel (Il).

Most of the interviewees represented regional or municipal public institutions with responsibility for transport and road safety planning. The rest mainly comprised road safety authorities or interest groups.

More than $\frac{1}{3}$ of the interviewees were in a manager/director position in their institution or organisation. More than $\frac{2}{3}$ had engineering background. An identical proportion made decisions based on non-economic approaches. Very few worked with EAT on road safety or made decisions based on such tools.

5.2.3 The survey at the EU level

Six interviews were performed at the European level – some at the superior level and some at the transport professional level. They predominantly represented the manager/director position in their institution or organisation. Economists and engineers were equally present in the sample. Most made decisions based on EAT.

5.3 Qualitative summaries of responses

5.3.1 EU

The interviews at the EU level were performed in October and November 2003. The six interviewees represented various EU organisations. Most ($\frac{2}{3}$) of these interviews were performed personally, while the rest ($\frac{1}{3}$) was performed via telephone. The interviews had a duration of approximately 1 – 2 h. Most interviewees stated that the questionnaire was interesting and that the questions were helpful and target-oriented.

The interviewees at the European level mostly were familiar with the use and the methodology of efficiency assessment tools and generally had no problems in answering the questions. However, for some (institutions without implementing function) the introductory questions about actual use of EAT were felt as not being practical. Some also considered the questions N25 and N26 as difficult to understand or being “too technical” (see Appendix II).

Some general features of the interviews at the EU level:

- Institutions that have an implementing function are (mostly) using EAT for decision-making.
- Several respondents mentioned political reasons (e.g., acting under public pressure, political influence of interest groups) as one major reason why efficiency assessments are not always performed for road safety measures.
- Many also referred to costs of applying EAT as a main barrier.
- Methodological deficiencies and the complexity of EAT (e.g., no consideration of specificities, inappropriate measures, manpower requirements) were also mentioned by many among major reasons for not always applying EAT.
- Most of the interviewees think that the current tools (software, guidelines etc.) for performing CBA of road safety measures are not adequate and/or accessible. But even when the tools are considered to be adequate and/or accessible it is seen as a problem that the tools can be applied without knowing the methodological background (e.g., welfare principles) of CBAs (which might lead to mistakes).
- Many of the interviewed European decision makers see the lack of clarity regarding responsibility for performing CBA as a hindrance for doing such analyses.
- Most of the interviewees did not see any ethical objections to the monetary valuation of reduced risk for injuries and deaths on roads.
- Most of the interviewees prefer (a mandatory) quality check on CBA of road safety measures and transport developments, e.g., as a peer-review. This was seen as a useful controlling mechanism and a means to counteract the potential for manipulation.
- All interviewees thought that it often happens that politicians set instructions for prioritising of road safety measures that are odds with priorities from CBA. But this is not seen as a problem, but as a necessity. According to the interviewees politicians have to filter those measures that fulfil overall political requirements that cannot be represented in EAT. They have to take care that, e.g., the ‘geographical equity’ of investments in Europe is ensured, that interest groups will be respected in decision making and integration goals will be achieved.
- At the European level EAT are seen as only one instrument in the decision-making process. The majority of the interviewees think that it would be possible to set priorities for road safety measures strictly according to CBA, but it is also made clear that this cannot replace political decision making (“politicians have to choose those measures that fit best in the overall political process”).
- The interviewees are indifferent as to whether the presentation of the uncertainty in the results from CBA could lead to disregard of its results. According to the interviewees, at the expert level there will not be any lack of trust when uncertainties are presented. But in the public and also at the political level the presentation of uncertainties can lead to disregard of the results of CBAs.

- The interviewees at the European level mostly do not see any road safety measures that are less suitable for CBA. They think that technically and methodologically CBAs can be used for all kind of measures. But in some cases it will economically not make sense to use EAT (“effort would exceed the benefit”). Those interviewees who think that there are situations where EAT cannot be used, mention educational and behavioural measures as cases in point.

5.3.2 Germany (national and local/regional levels)

In Germany 6 interviews were executed at the national level and 3 at the local/regional level. For the national-level survey two persons contacted refused the interview, referring to two others who were subsequently included in the sample. The length of the interviews varied between approximately 60 minutes and 120 minutes. One interview at the national level was executed in the middle of May 2003 as a self-administered pre-test; the rest were performed as personal interviews during August 2003, including researchers, bureaucrats – from the Ministry of Transport, Housing and Building and Road Safety Council (DVR), and a representative of a research institute for insurance companies. Since only very limited changes were made from the pre-test questionnaire to the final questionnaire at national scale, the pre-test response was included in the sample. The local/regional interviews were performed, in November 2003 and January 2004.

The interviewees were mostly familiar with the methodology of efficiency assessment tools and generally had few problems in answering the questions. At the national-level survey some questions caused problems for those interviewees who did not have practical experience with CBAs (especially questions N20-N21 and N24-N26). These questions had the wording improved/facilitated in the final draft of the national-level questionnaire, and were further improved for the local/regional surveys (see Appendix II).

Decision makers at the national level in Germany often work with educational user-related measures. Infrastructure measures will mostly be decided on the regional or local level.

Some general features of the interviews at the national level:

- Those applying methods for efficiency assessment and monetary valuation of safety were less sceptical to these methods than non-users.
- Most of the interviewees said that CBAs should not be the only decision criterion for the implementation of road safety measures.
- The lack of knowledge and methodological problems were the most frequently mentioned barriers to the usage of monetary valuation – this was mentioned by half of the interviewees (3 persons).
- The results of monetary valuation were considered to be trustworthy if done by an official (neutral) organisation.
- All interviewees said that educational measures are less suitable for monetary valuation than other measures (infrastructural, vehicle-related, etc).

- Most of the interviewees thought that politicians decide on the implementation of road safety measures mainly according to political interests (party politics etc).

Some general features of the interviews at the local/regional level:

- CBA is rarely used at the local or regional level for implementing road safety measures. It will be used for road infrastructure investments (with road safety as a side effect). Smaller measures generally are not assessed with monetary evaluation methods. But the authorities have implemented a “profitability check” for measures (based on costs and impacts of the measures) – a kind of CEA.
- Most local and regional authorities have only small budgets for road safety measures. Bigger measures have to be granted apart from the budget.
- In general the local and regional authorities are satisfied with the current assessment process of road safety measures and do not feel the need to extend the usage of CBA (within their area of responsibility). They bring forward the argument that the effort will be too big, e.g., for smaller road safety measures.
- They all think that the current tools for performing CBAs are not sufficient.
- The local and regional authorities agree that politicians put more weight on the number of fatalities and injuries prevented than on the monetary valuation of these impacts (for publicity reasons, physical impacts can better be “sold” in the public). They are convinced that the economic evaluation of measures does not greatly influence the decision-making of politicians. They believe, that politicians are lead by public opinion, prevailing topics and interests.
- All of the interviewees agree that an implementation of road safety measures strictly based on results of cost-benefit analyses will not imply a decreased expected number of injuries and fatalities on roads, but an unchanged number of accidents. The accidents might only differ, e.g., in their type and severity to the situation before.

5.3.3 Netherlands (national and local/regional levels)

In the Netherlands 6 interviews were executed at the national level and 4 at the local/regional level. At each level one refusal was registered; the one at the national level giving no reason, and the one at the local/regional level claiming to know too little of the subject. The length of the interviews varied between 50 minutes and 75 minutes. One national interview was executed in the first week of June, four in the first two weeks of July, and the last in the end of September. This sample included politicians, in addition to bureaucrats of the Ministry and a consultant. The local/regional interviews were all carried out in November 2003.

All respondents gave their full cooperation to the interview, and the interviews worked out well. However, some few questions were not always felt to be clear enough. For the national survey the interviewer chose not to ask question N10, and the questions N25 and N26 were not always clear to the interviewees (see Appendix II). The order of the questions was also changed, re-arranging the

questions around some main subjects. For both the national and local/regional surveys the interviews were recorded on tape.

There was one judgment all Dutch respondents agreed about:

- Public support, 'emotions', administrative deals, image, political feeling, legal arguments, and political commitment were considered as equally or more important arguments as the outcomes of a CBA. E.g., recent accidents and the popularity of measures can influence the policy directly. The interviewees stated that the world is more complex than the outcomes of CBAs suggest. ("Welcome to the real world." "Better CBAs will not result in better political choices.")

Further, at the national level all respondents agreed about the following:

- CBA was regarded as only a tool in the decision making process, helping to structure the thinking about projects with a systematic comparison of different policy options. The reasoning itself was considered more important than the outcome. ("CBA is more an art than a science.")
- The outcome of a CBA was assessed as ambiguous, being given as one of the reasons why a CBA can never replace politicians. The more ambiguous, the more the CBA outcomes can be twisted in the desired way. ("The outcomes are a battlefield between the various institutes.")
- No objections were raised against monetary valuation of human lives, although all respondents thought one should have to show both numbers of casualties prevented and monetary valuations.
- It was held that there should be a better tuning between the (compulsory) Environmental Impact Assessment and CBA, both in time and in contents.
- A decent quality check for CBAs seemed to be desirable for all respondents. The outcomes cannot be verified by decision-makers, they have to trust the analysts. Furthermore, the interviewees found that the assumptions behind the analyses should always be published, which is not always the case now. It was also stated that those who perform CBAs do not seem to be open for critics. ("Scientists should have so much sense of honour that they would let validate their CBAs by themselves.")

At the local/regional level all respondents held that:

- In provinces and regions the use of CBAs or cost and effect information is in general scarce. There is a large need for this kind of information, but detailed information about the own region and information about non-infrastructure projects is hard to find.
- CBAs are hard to explain to citizens, the outcomes do not always match with the observed problems in reality.
- Monetary valuation of accidents is not desired on the provincial/regional level. The figures are too abstract and give a "cold" impression of the policy. Politicians cannot "sell" these figures to the public.

- The provinces and regions do not feel any responsibility for the execution of CBAs and the delivering of costs and effect information. They expect the national government to develop these figures.
- The provinces/regions trust the figures about costs and effects, a quality check is not directly necessary.

5.3.4 Norway (national and local/regional levels)

In Norway 10 interviews were conducted at the national level, including one pilot interview, and 4 interviews at the local/regional level. Two persons on the initial interviewer list declined when contacted, claiming that they were not currently working on safety issues and/or were too busy. Both referred us to colleagues whom they meant were better suited, and these persons were included in the sample. The length of the interviews varied between 40 minutes and 75 minutes, most of them close to 45 minutes. All national interviews were conducted during the month of June 2003, except the pilot that was conducted in May. The local/regional interviews were all carried out in October 2003. For the national interviews the interviewer was assisted by a colleague to take notes.

The interviewees were mostly from the Public Roads Administration (one was a researcher with former experience from the Public Roads Administration), but also from the Ministry of Transport and Communications (all at the bureaucratic level), the Police Administration, and from two larger municipalities. They represented a mix of economists, engineers and legal practitioners – the first two groups had most experience in using or evaluating EAT.

In general the questionnaire worked very well. All the interviewees showed much interest. Only a few remarked that the topic was complicated – these were responsible for safety assessment and safety measures but not the economic assessment of these. For those at the municipal level EAT were actually not relevant in their planning and decision-making, primarily due to inappropriate tools for estimating impacts of road safety measures. However, these realities and complications did not seem to reduce the enthusiasm for the survey and the Thematic Network ROSEBUD.

For measures related to vehicle regulations and traffic control economic analysis was less applied, compared to physical measures on roads (and within larger road investments). Nearly half of the interviewees stated that there was a lack of interest/resources for performing economic analysis in their institution or unit of the institution. At the municipal level even CEA was scarcely applied. A majority found that the current tools for performing CBA were not adequate.

The attitudes towards economic analysis were generally positive. It was seen as a necessity, although most of them saw ethical objections and preferred to present results in terms of numbers of fatalities and injuries prevented, not just the monetary numbers. Most of the respondents would like to see more weight (increased values) put on reduced accident risks. Some also requested inclusion of (perceived, subjective) security in CBA, in addition to (objectively-measured) safety. Most of the respondents did not find that the input to decision-making about road safety would be improved *without* economic analysis. Everybody had

trust in the economic valuation behind a CBA, although with reservations for some of them.

The interviewees acknowledged the democratic practise of political decision-making, but many lamented somewhat the politicians' pressure, following interest group lobbying and media focus. By yielding to lobbying, politicians could endorse safety measures that were either presumed to be popular, swift to implement, or easy to visualise, but sometimes with diffuse or unknown effect, and with dubious economic efficiency.

Approximately half of the interviewees held that CBA could gain weight in decision-making if the analyses and results were presented in another manner – that the influence of CBA partly depends on communication and promotion. For CBA of road safety measures the interviewees thought that the presentation also should include information about the numbers of fatalities and injuries prevented. Most respondents thought 'saved lives' was a stronger argument than economic benefits of life saving.

5.3.5 Italy (national and local/regional levels)

In Italy 12 questionnaires were collected at the national level, while 6 were executed at the local/regional level. Each of these lasted approximately 40-70 minutes. At the national level the survey was based on personal interviews and carried out during September and October 2003. In the local/regional case some (4) interviews were based on self-administration, during July 2003, and some (2) were conducted personally, during October 2003. In the self-administration case the questionnaire was sent to the interviewees by e-mail, and some of them used the phone for specific requests of explanation.

The national sample included representatives from the Ministry of Transport – among whom two consultants working on the National Road Safety Plan, focus groups working on Road Safety, public operators (e.g. national highway operators), and a representative of the police administration.

All the interviewees showed interest in the questionnaires and the ROSEBUD project. Some interviewees pointed out that the questionnaire was probably too long and needed too much time to be filled in. (Sometimes brief answers have been given.)

Some general features of the responses to the interviews carried out in Italy were:

- CBA had not yet been applied by the interviewees, with just some few exceptions. It was outlined that the reason for this fact is related to the uncertainty in the definition of the parameters and estimates of effects of road safety measures. Moreover, several interviewees pointed out that the lack of data related to road injuries as the reason for why CBA and CEA are usually not performed; some of these highlighted that these tools are not applied because of the lack of a specific competence, or that these tools should only be applied at a national level by the Transport Ministry.
- Almost the whole sample agreed that performing CBA and CEA at an earlier stage of the decision-making process would have a greater impact on final political decisions.

- A large part of the interviewees were confident that carrying out extensive research, in order to provide monetary valuation of every possible impact of road safety measures, will allow to define a set of priorities strictly according to CBA results.
- Very few raised objections against monetary valuation of human life. Several respondents answered that monetary valuation of the impacts is helpful for road safety measure evaluation; and several respondents pointed out the fact that it will be useful to show both the number of fatalities prevented and monetary valuations (because of the impacts it has on citizens).

In Italy CBA and CEA are still not part of decision makers' cultural and technical background, and not having a clear definition of responsibilities seems to have hindered its spread among the experts. At present, the analyses performed are characterized by a detailed cost analysis while impacts are only estimated in a qualitative way. There is a lack of knowledge on the impacts of road safety measures, and this represents a major constraint to the use of efficiency assessment tools.

5.3.6 Hungary (national and local/regional levels)

At the national level 5 persons were interviewed, and at the local/regional level 3 persons delivered filled-in questionnaires. The interviews took from 35 to 90 minutes. For the national level preliminarily questionnaires were sent to (more than five) pre-selected target persons.²¹ Then face-to-face interviews were arranged at agreed dates for those five who accepted interviews. The sample consisted of engineers and safety experts from the ministry of transport, as well as a representative from the police. The interviews were conducted from mid July until mid September. At the local/regional level the three questionnaires were e-mailed for self-administration to "number one" leaders of county management organisations, upon preliminary agreement. These were collected during November. The week after the questionnaire's delivery, further collation was realised by phone. Ambiguities were cleared up, and if some questions or difficulties arose, further amendments were made. (It was also agreed to have a questionnaire filled-in by a representative of a county police office, but this person could not fill-in answers, presumably because no road safety measures are initiated at the county level.)

Some general features of the responses at the national level:

- EAT were known and appreciated but rarely used.
- The main barriers to its use were unavailability of data (on impacts) and financial restrictions (lack of resources).

Regarding the local/regional level, the county level road management organisations deal with the operation, maintenance and development of the local roads. In their work, they have the possibility to use CBA in decision making. The interviewees were aware of the method and as far as possible they used it. Full-

²¹ These were selected with respect to the stage of decision-preparation, decision-making, profession, political hierarchy, or implementation phase they were representing.

scale application was especially impeded by the lack of money, equipment and information. Substantial information – real actualised accident losses – is not available, and therefore CBA results are disputable.

5.3.7 Czech Republic (national and local/regional levels)

In the Czech Republic 7 filled-in questionnaires were obtained at the national level (one of which was a pilot interview and one was actually conducted in Slovakia), and 3 filled-in questionnaires were delivered at the local/regional level. Originally questionnaires were sent by e-mail for self-administration to approximately 30 people. Only the 10 people from this group who were contacted by phone did send the questionnaires back. The respondents applied between 30 and 75 minutes to answer the questionnaire, most of them close to 60. The survey was conducted during August 2003.

The respondents at the national level represented both the Ministry of Transport and the Road and Motorway Directorate, and also private expertise, NGO and research. At the local/regional level the respondents were from the regional and local authorities and from a city government.

Only members of Road and Motorway Directorate had some experiences with CBA or CEA, but mostly only related to large infrastructure projects. Almost no economic analyses related to safety measures have been made up to now. The professional background of the respondents was primarily engineering.

In general the ROSEBUD project was very welcomed. All the interviewees showed much interest. Only a few remarked that the topic was too complicated. This was probably due to the fact that CBA or CEA in the process of road safety planning in the Czech Republic has been rather rare up to now. Some interviewees asked for deeper explanation of some specific questions (especially N16, see Appendix II).

General description of the answers:

- Most of the interviewees stated that there was a lack of interest/resources for performing economic analysis in their (unit of the) institution. A majority found that the current tools for performing CBA were not adequate, or that these are not clear enough.
- The attitudes towards economic analysis were generally positive. It was seen as a necessity, although most of them saw ethical objections and preferred to see numbers of fatalities and injuries prevented following the monetary numbers. Many interviewees mentioned higher preferences for safety measures that were either presumed to be popular, swift to implement, or easy to visualise.
- More than half of the interviewees held that CBA could gain weight in decision-making if the analyses and results were presented well. For CBA of road safety measures the interviewees thought that the presentation should also include a specification of the number of lives saved and injuries prevented. Most respondents thought saving lives was a stronger argument than economic efficiency of life saving. A lot of people also mentioned that CBA/CEA is not meant to be the only criterion for the final decision.

5.3.8 Israel (national and local/regional levels)

There were 4 interviewees at the national level and 4 at the local/regional level. Each interview was between 45 to 90 minutes. At the national level one pilot interview was performed in May 2003 and the three main interviews were performed between mid July and mid August 2003. Since only minor changes were performed after the pilot test this response is included in the sample. The interviews at the local/regional level were conducted in November 2003.

At the national level all interviewees had senior to very senior positions in public government. Most of them were decision-makers responsible for road infrastructure improvements, dealing solely with the physical infrastructure, but there was also a representative of the Road Safety Authority.

At the local/regional level all the interviewees were in senior positions at the professional level of a local/ regional authority. Two of these represented traffic departments of local levels that are actually responsible for the development of road safety improvements, whereas the other two represented traffic departments at the regional levels that perform examinations of the projects, asking for a financial share of the Ministry of Transport. All had engineering background, dealing with the physical road infrastructure, mostly at the stage of planning, but also at the stages of performance and maintenance of roads (a function of supervision). All interviewees indicated that safety issues comprise a significant part of their activity.

All the participants were co-operative and presented their opinions freely, and all were well versed in decision-making based on economic principles. Regarding the local/regional level the respondents were familiar with a common procedure for economic evaluation of large transport projects, and they were well informed about the latest developments in the road safety field, including research projects performed in the country. Some interviewees at the national level felt compelled to go in some length into their road safety experience. At the local/regional level all had 15-25 years experience in the field of road traffic and safety improvements. They explained the current practice of evaluation of road safety measures and interpreted their answers to the questionnaire in light of the current practice. All provided reasonable arguments for the non-use of CBA for safety measures at the local/regional level.

Some general features of the responses from Israel:

- In general, the politicians do not intervene in the (bureaucratic) decision making process on safety measures.
- None of the interviewees had a problem with the concept of an economic value associated with the loss of life and, on the contrary, considered this as a necessary element in rational decision making.

Some general features of the responses to the interviews at the national level:

- Limitations in the quantitative knowledge on the effectiveness of road safety measures, especially in the non-engineering fields but also in engineering improvements, were felt as a major bottleneck in implementing CBA in safety.

- Safety considerations were perceived as a major aspect of decision-making on transportation projects, but these considerations do not enter in a quantified form.
- Decision-making concerning transportation projects was regarded a complex process that was not only based on CBA.

Some general features of the responses to the interviews at the local/regional level:

- Road accidents and safety improvements are a significant part of the total activity of transport and traffic divisions, especially at the local level. Safety treatment is interpreted as a complex of steps, including accident analysis, identification of problematic locations, selection of measures, and examination of warrants for the application of measures.
- The local authorities are highly dependent on the central budget. The function of the local authority is mainly in selecting relevant treatments for specific sites and providing detailed plans for their implementation. These plans are examined at the regional level and, when approved, provide a basis for asking for financial support from the Ministry of Transport. (The current share of the Ministry of Transport as opposed to the local budget is 70% to 30%.) Costs of all the projects approved compose the “safety budget” of the authority for the next year. The economic evaluation of any treatment planned includes a cost statement only, whereas the benefits are discussed at a qualitative level. The expectation of benefits is based on professional experience and intuition.
- Formal CBA is not performed, for a number of reasons.
 - CBA of safety impact is not required by the Ministry of Transport;
 - The lack of tools for the performance of CBA and a procedure to be followed, e.g., for values of safety effects and costs of injury/fatality;
 - Most of the local projects are not costly and, therefore, in most cases, the benefits are expected to be higher than the costs.
- Besides measures of a “safety budget”, which should be coordinated with the Ministry of Transport, there are low cost safety measures (e.g. signing and marking, prohibition of parking) and measures, which are originally intended for an improvement of traffic flow but also can have a safety impact (e.g. installation of traffic signals). In both cases, CBA of safety effects is not customary, as it is not required by the current procedures.
- In general, safety considerations are perceived as a major aspect of decision-making on transportation projects, but safety considerations are not handled in a quantifiable way.
- Decision-making on transportation projects is considered as a complex process and cannot be based only on CBA. For example, CBA is based on average values of safety effects and average values of lives, whereas, on the local level, great importance is given to site-specific conditions. Limited data (small accident numbers) is another major challenge associated with the estimates performed for the local level.

- The decision makers at the local/ regional levels do not see barriers of a philosophical nature for the application of the efficiency assessment tools. Most barriers are procedural (relate to the organization of policy making) and technical (relate to the assessment tools as such).

5.4 The significance of the interviewees' statements

EAT applied for RS measures (Que. N6) and preliminary decisions (Que. N3) is mostly reported by the Northern European countries (Norway, Netherlands, Germany). It is only exceptionally applied in the Southern/Central countries (Italy, Hungary, Czech Republic, Israel) – in the Czech Republic the HDM-4 methodology (developed by the World Bank) has been used. A similar pattern is found for the estimation of costs of RS measures for road users, except that German interviewees reported that these costs are not estimated (see Appendix I.1 for details).

Based on the qualitative presentation in the preceding sections we will try to assess the relative importance of the various barriers to the use of efficiency assessment tools in road safety policy. It is recognised that such an assessment may not be an easy task. One way to go about it is to sum-up the quantitative results based on cues of the responses. But, one should bear in mind that the samples are relatively small convenience samples, and concluding from these answers should be done with care. This should only be regarded as a contraction of multifarious open-ended responses and statements. Although some tendencies can be identified, this is not meant to be a waterproof statistical analysis of clearly identified categories. Still, many of the respondents were leaders of institutions deciding on the process for electing and prioritising road safety measures. Hence, summing-up their answers should shed some more light on which barriers are the most constraining for the application of EAT in Europe. This assessment is based on the total number of respondents, at the national, local/regional and EU levels ($n=83$).

We will make a distinction between *main* barriers, based on the reasons given when answering to the direct question about main barriers to the use of EAT (Que. N7), and *underlying* barriers, based on the responses to any other question. Although such a distinction is debatable, it is upheld for the following reasons: In Que. N7 the respondent is asked, in an open-ended manner, to provide any type of main barrier to the use of EAT. In the other questions the identification of barriers is clearly framed, thus providing an indication of the situation for, e.g., a technical or institutional issue/constraint, but not its importance compared to any other issue/constraint. Still, even if the so-called underlying barriers are based on framed questions, they may indicate decisive barriers to the use of EAT. In some cases a respondent may not be able to come up with every important (or *the* most important) reason in an open-ended question, while a framed question may facilitate such identification.

5.5 Quantitative summaries of responses

5.5.1 Stated importance of all barrier types in main question

One question asked directly about the major reasons why CBA or CEA are not always performed for road safety measures (Que. N7). Various reasons were put forward by (each of) the interviewees, and we have attempted to classify these according to the predetermined typology (given by an extra right-hand side column in the table in Appendix I.2).

We find that most of the reasons stated can be grouped under institutional (B) barriers. Among these, the most frequently mentioned were the lack of resources or tools to perform analysis and that EAT simply were not applied anyway or not recommended/imposed. The last reason was especially given by interviewees from Southern/Central countries.

Other institutional barriers that were mentioned included lack of knowledge about EAT or lack of trust in (agreement about) EAT. That small (low cost) RS measures are not considered for efficiency analysis may not constitute a real barrier, in the sense that the analysis should not “cost more than the measure”. However, the institutional setting may impede broad scale analysis of classes of small measures (Gitelman et al. 2001, Gitelman and Hakkert 2003).

The reason that most of the interviewees mentioned was the fact that impacts are unknown – a technical barrier (C). Many specified that impacts were unknown for user-related RS measures, e.g., educational measures. Another technical barrier mentioned was the lack of (difficulty of obtaining) monetary values/valuations of reduced accident risk.

Relatively few mentioned barriers to the implementation of efficiency-based policy options (D) among the major reasons for not performing EAT. What was mentioned was the conflict between efficiency and other interests. This could be, although not necessarily, a vested interest barrier.

The answers are summed-up in Figure 5. 56% of the reasons given (accepting several reasons from each respondent) could be classified as type B – “institutional” – (according to our principal typology). A large part of the institutional barriers mentioned can be classified as absolute. Also a large share, 31%, was of type C – “technical”. All together the relative barriers would sum to 3%. Relatively few respondents mentioned reasons related to types A or D, obtaining only 3% and 10%, respectively. It should be stressed again that this question (and the survey) was posed as why efficiency assessment is not performed, thus focusing on the planning process – not the implementation process.

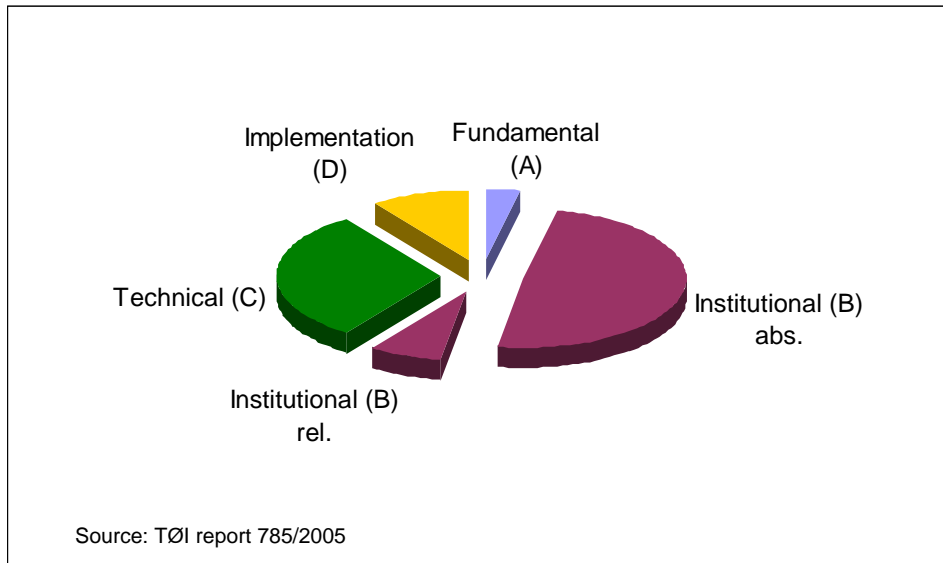


Figure 5: Distribution of responses to direct question about main barriers to the use of EAT (Que. N7).

In the following we sum-up the responses to this main barrier question, within each of the four groups, and we sum-up responses to the other more specific (framed) questions that can provide assessments of underlying barriers. Some types of barriers will be expanded/developed based on the responses to the surveys. We also summarise relative versus absolute barriers, and finally we sum-up differences between nationalities (northern versus southern/eastern) and decision levels (national versus local/regional).

5.5.2 Fundamental/philosophical barriers (A)

Only one type of answer was grouped under the main philosophical barriers to the use of EAT. This was based on answers to the main question about why EAT are not always applied (N7), and the response was that (political) decision makers had some sort of “emotional approach” to road safety prioritising (3% of all answers to N7). This could imply a rejection of the principles of welfare economics (A1) and/or the efficiency criterion (A2) and/or monetary valuations (A3). However, this is not a clear cut indication of a fundamental barrier to the use of EAT.

Delving into possible underlying fundamental barriers (see Appendix I.3 for details), there was no other specific question included to assess overall acceptance or rejection of the principles of welfare economics (A1). However, the evaluation of interviewees’ knowledge of the foundations and implications of CBA could indicate relatively limited insight into these principles – or limited acceptance. Some responses to these questions, especially about the equality of a € calculated for reduced accident risk versus a € calculated for reduced time loss (N25), may indicate rejection of a basic principle of welfare economics. It was asked if € values for safety reductions were ‘the same’ as € values for reduced time loss and reduced pollution levels, which is the common procedure of neo-classical economic analysis and CBA (Hanley and Spash 1993). More than half answered ‘no’. A follow-up question also asked those answering ‘yes’ or ‘no’ how sure they were about their

answer, and close to half of all respondents were actually sure about their ‘no’ answer. Although weighting can be included in CBA, especially distributional weights²² – that may indirectly affect the relative valuation of, e.g., safety versus mobility, the responses could possibly indicate a rejection of principles of welfare economics. However, this should be stated with a question mark.

Rejecting economic efficiency as a relevant criterion of desirability (A2) could follow from rejecting the principles, but one could probably reject some principles but support an alternative efficiency criterion (although such an alternative may not be classified as “economic”). The answers to the survey do not give us a well-founded basis for assessing this. However, not finding it defensible to apply CBA for prioritising of road safety measures when assuming that all relevant impacts are included in the analysis (Que. N15), could possibly indicate a rejection of the efficiency criterion. The interviewees were divided in their reaction to a question if it would be defensible to set road safety priorities strictly according to CBAs that would provide “monetary valuations of every possible impact of road safety measures”. Denying this could, although not obviously, constitute another indication of underlying reluctance against economic theory and/or CBA. Such a negative reaction could also possibly be due to reluctance against “economist technocracy” (Randall 1987).²³ Representatives from most countries made it clear that politicians in any case would/should (have to) bring in other considerations. The respondents from Southern/Central Europe (Italy, Hungary, Czech Republic), where EAT are less applied for bureaucratic prioritising, found it relatively more defensible to set priorities more strictly according to CBA. (This question was only applied at the national level and the EU level).

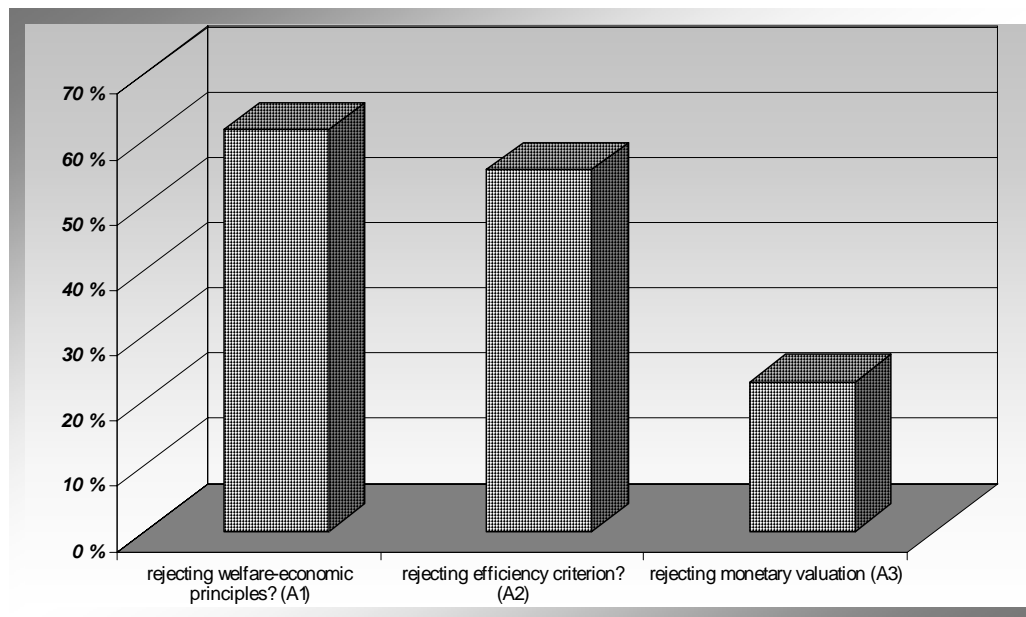
There was some reluctance to the usefulness of monetary valuation of reduced accident risk (Que. N11). Although a majority of the interviewees found monetary valuation of reduced fatalities/injuries useful, half of this majority stated that the numbers of fatalities/injuries prevented are weighted *per se*. A considerable number of respondents found such valuation un-helpful, and this view was relatively most represented in Netherlands, Germany and Israel. This can be taken to represent a rejection of monetary valuation of risk reductions (A3). However, it should be noted that responses were given without any specification of valuation methods, and do not necessarily refer to a unique mode of valuation. Finding EAT non-helpful could possibly be due to external elements, e.g., lack of effectiveness data.

Seeing ethical objections to monetary valuation (Que. N13), equally widespread among respondents as finding it un-helpful, could also indicate such rejection. But, several respondents (e.g., the majority of the Norwegians) followed-up such an answer by stressing that such valuation still is necessary. Thus, we find the

²² Some did state ‘yes’ conditionally on clarifying important philosophical issues of CBA, e.g., regarding assumptions concerning the marginal value of income (Brekke 1995, Hanley and Spash 1993).

²³ There is still space for more use of EAT/CBA in decision making on road safety without reaching even the proximity of a technocratic application, i.e., implementing priorities more strictly according to CBA *without* political interference (BASt 2003). Very few believed more decision-making based on CBA would render the politicians superfluous (Que. N23). Thus, there may not exist any fear worth mentioning of an economist-technocratic dominance in road safety decision-making. This does not seem to be an important underlying reason for any fundamental barrier against an increased application of EAT.

answers regarding the usefulness of methods a better, although non-perfect indicator.



Source: TØI report 785/2005

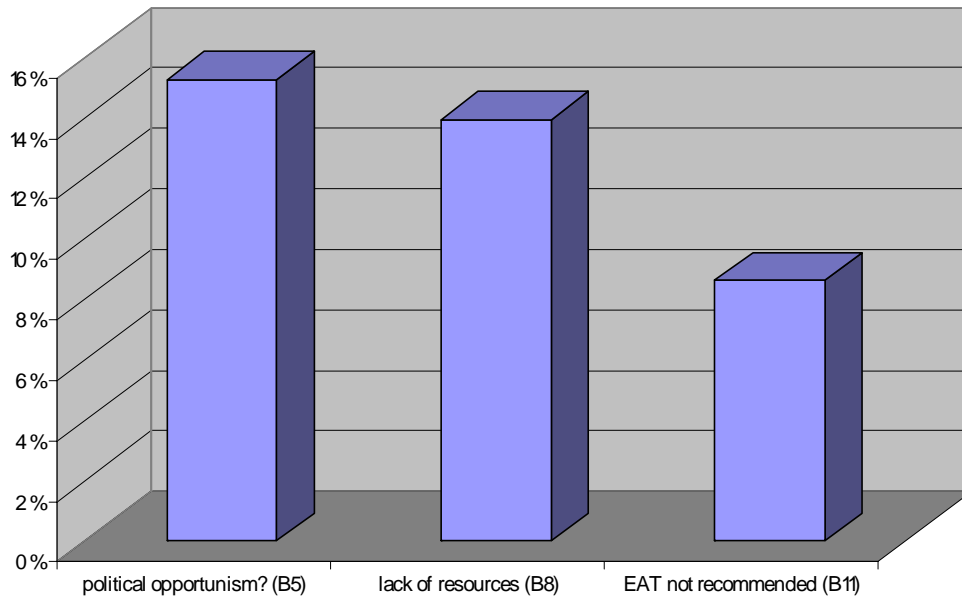
Figure 6: Underlying philosophical barriers to the use of EAT/CBA (A). Percent.

Figure 6 sums up the sub-types of possible underlying fundamental/philosophical barriers. The indications based on answers to these questions may possibly point to a non-negligible underlying rejection of EAT, especially CBA. Although with a very slight basis in our material, the rejection may possibly be based more on objections to some of the basic principles of CBA (A1, A2), than objections to monetary valuation as such (A3). Yet, the possible rejections under A1 and A2 are stated with question marks.

5.5.3 Absolute institutional barriers (B)

Some institutional barriers can be considered as absolute – not readily movable through efforts following from the Thematic Network ROSEBUD. Regarding the main reasons for not performing EAT (Que. N7), most of these can be considered as absolute. Political opportunism (B5) was pointed out by several as a main reason. A majority of the interviewees claimed that politicians in one way or another may set instructions that are at odds with road safety prioritising based on CBA. This is reported to occur by setting aside CBA or re-weight its elements. Some directly specified that politicians either push for “popular” (not necessarily efficient) measures or reject (efficient but) “unpopular” measures. This was especially the case for respondents from Northern European countries. Many also emphasised scarcity of resources (B8). Lack of resources was actually among the most commonly stated main reasons for not applying EAT in the Southern/Central European countries. From the same geographical area reference was also made to

the lack of recommendations for using EAT (B11).²⁴ Figure 7 sums-up these main absolute institutional barriers. It seems to indicate that, overall, political opportunism may be just as preemptory a barrier as lack of resources.



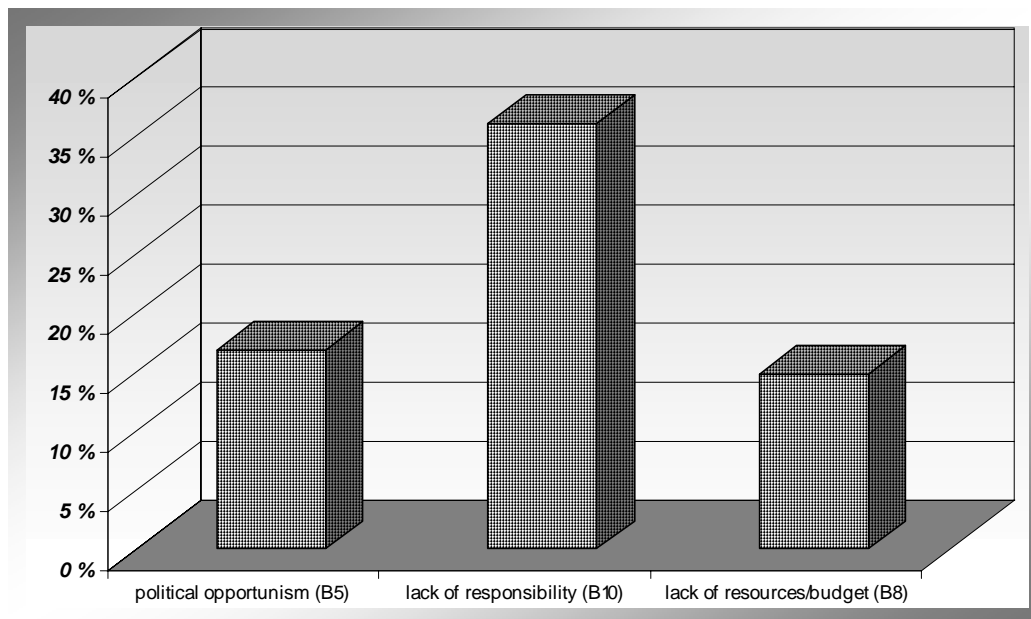
Source: TØI report 785/2005

Figure 7: Main absolute institutional barriers to the use of EAT/CBA (B). Percent.

Heading to the indicated underlying barriers from responses to the other questions, the absolute barrier of political opportunism (B5) was indicated by several, especially many from the Northern European countries, claiming that politicians pushed for popular road safety measures (Que. N17). Added to these absolute institutional barriers may also be “lack of responsibility” (B10), indicated by what was perceived as obscured responsibility for performing CBA (Que. N10). About half of the interviewees indicated that obscured responsibility for performing CBA could represent a hindrance for applying such efficiency analysis. This seems especially to be the case in the Southern/Central countries. Based on the responses at the local/regional level there was also some indication of lack of resources (Que. L4), i.e., it was answered confirmatively to the question if the interviewee’s institution operated with a specific budget for safety measures. This was indicated to be the more widespread in Northern Europe and in Israel.

The underlying absolute institutional barriers are displayed in Figure 8.

²⁴ Several of the predetermined barriers related to the institutional aspects were not directly indicated by the respondents. Neither lack of consensus on relevant policy objectives (B1), nor formulation of policy objectives inconsistent with EAT (B2), priorities given to policy objectives unsuitable for EAT (B3), nor horse trading (B4), nor un-funded mandates and excessive delegation of authority (B6), nor abundance of resources (B7) were mentioned in the direct question about barriers to EAT (Que. N7). They were not clearly indicated in other questions either. As indicated, the typology was developed according to the political point of view in decision-making as well as the bureaucratic point of view.



Source: TØI report 785/2005

Figure 8: Underlying absolute institutional barriers to the use of EAT/CBA (B). Percent.

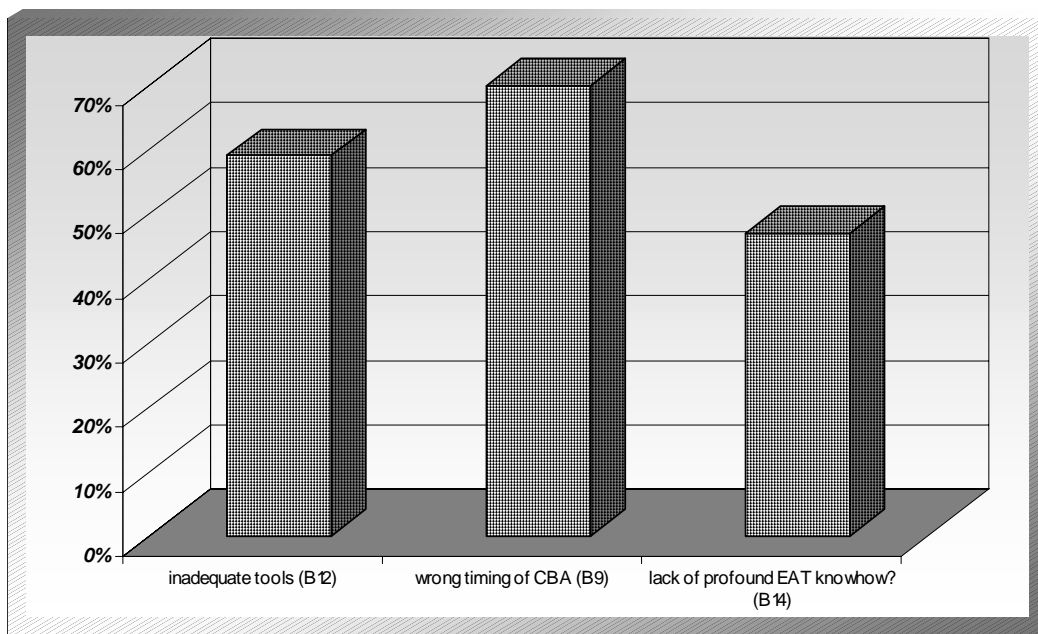
5.5.4 Relative institutional barriers (B)

Among main institutional barriers that can be considered relative, only one has been indicated. Some respondents mentioned the difficulty of performing CBA among the main barriers (indicated by 7% of all answers to Que. N7) which can be taken as indicating “lack of workable EAT know-how” (B13). It is perhaps fruitful to distinguish workable EAT know-how from profound know-how. Standard analysis can be performed without delving down to the philosophical depths, especially if adequate tools for economic analysis are available.

Other underlying institutional barriers were alluded to by the interviewees in responses to other questions. The first of these can be termed “inadequate tools” (B12), mentioned by more than half of the interviewees in the question addressing this issue (Que. N9). A majority of the respondents found that current tools for performing CBA were inadequate. Some respondents specified the inadequacy as either lack of technical aids (guidelines/manuals/software) or lack of EAT know-how (courses/training).

A “wrong timing of CBA” (B9) in the decision-making process was indicated by as much as 2/3, according to the affirmative responses that CBA would be more influential in actual policy if performed earlier in the process (Que. N8). Although not clearly specified by many, the weight given to EAT might seem to depend on the type of measure and the general setting for decision-making. This may also to some extent be regarded as a barrier to the implementation, since the question itself focussed the potential influence on implementation of results. However, although an existing use of EAT could be taken as implicit in the question, some interviewees could have regarded the question as considering a change from current non-use to future use of EAT in the planning stage.

Another possible barrier is related to lack of more profound EAT knowledge, although in this case it may be difficult to distinguish knowledge from attitude. One question (Que. N24) considered the effect on road safety of implementing policy according to CBA. Elvik (2003) has shown how setting policy priorities according to CBA can greatly reduce the number of road accident fatalities and injuries. A large part of the interviewees did not believe this would change anything or they didn't know. Although more responded 'decrease' than 'increase', they do not constitute the majority of the respondents. Lack of profound knowledge may not represent an important barrier to economic analysis of transport and cost assessment of safety measures (CEA), but it may constitute an obstacle to a cost-benefit approach to safety (CBA), since the valuation of road safety stretches the subject of economics much farther than the ordinary cost or market approach. Based on the combined responses to Que. N24-26 it can be presumed that a large part of transport/safety bureaucrats/experts disregard (or disagree with) some profound issues of EAT, especially CBA and valuation of public goods. We have termed this "lack of profound EAT know-how" (B14), but we stress that this to a large extent may represent lack of approval rather than lack of knowledge, and thus could be strongly related to fundamental barriers.



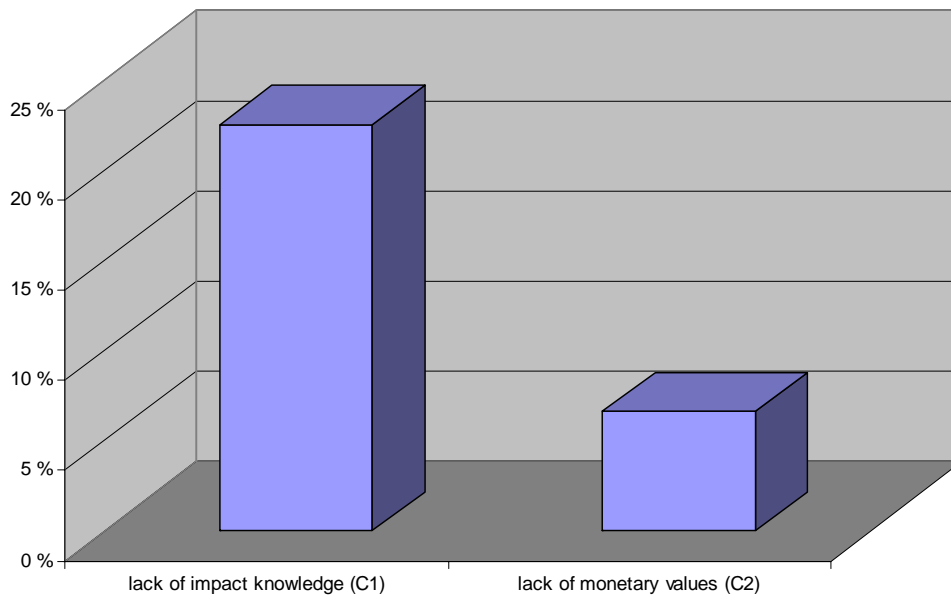
Source: TØI report 785/2005

Figure 9: Relative underlying institutional barriers to the use of EAT/CBA (B). Percent.

The utterances by interviewees regarding relative institutional barriers are summed up in Figure 9. Inadequate tools seems to be an extensive barrier to the use of EAT in road safety decision making, and also the wrong timing of its use.

5.5.5 Barriers related to efficiency assessment tools as such (C)

Among the main reasons for not applying EAT (Que. N7), lack of knowledge about relevant impacts (C1) was pointed out by many. Lacking monetary valuation (C2) was primarily indicated by Italian respondents, either that such safety values were not established or that it was difficult to express safety effects monetarily. Indivisibilities (C3) was not directly pointed to by the respondents. These main technical barriers are displayed in Figure 10.



Source: TØI report 785/2005

Figure 10: Main technical barriers to the use of EAT/CBA (C). Percent.

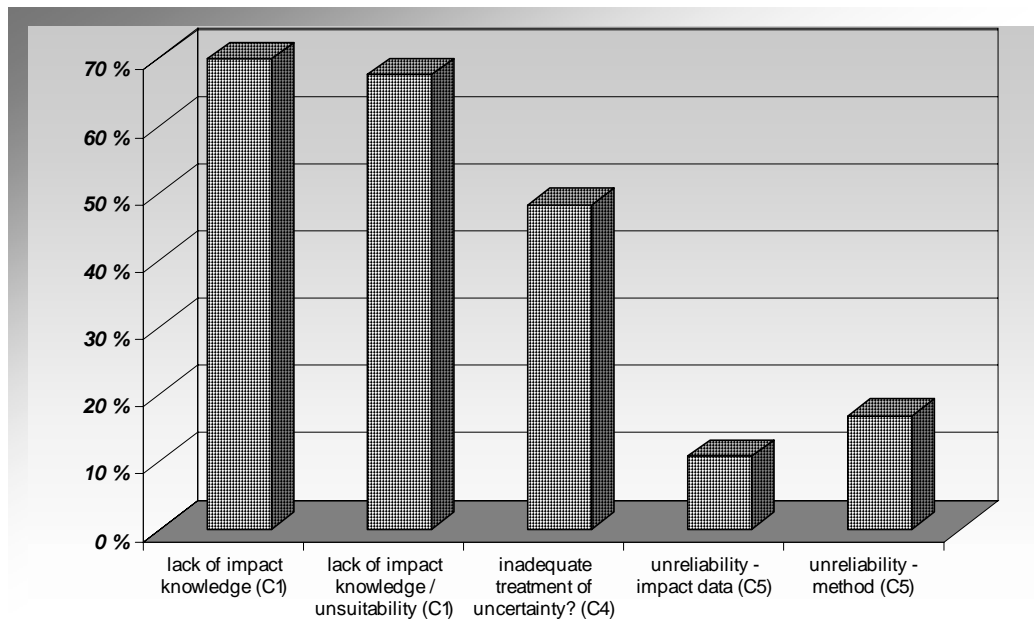
Regarding underlying technical barriers from the other questions, the lack of impact knowledge (C1) is repeated and extended. As much as $\frac{3}{4}$ of the respondents stated that impacts of road safety measures are not sufficiently known during planning, especially as far as user related measures are concerned, like educational measures, or campaigns, and enforcement (Que. N4). Such knowledge is needed for performing economic analysis. This further emphasises the results from the question about main reason for not applying EAT – the lack of knowledge about impacts is perhaps the single-most important barrier. Nearly as many (more than $\frac{1}{2}$) of the interviewees found that some road safety measures are unsuitable for CBA – also presumably due to lack of knowledge about effects of certain measures (Que. N22). Many of these (approximately $\frac{1}{3}$) found that measures with uncertain impact (mostly specified as user-related measures) could be less suitable for CBA.

Inadequate treatment of uncertainty (C4) may be indicated from the response that such uncertainty should be clarified and, eventually, quantified (Que. N20). Quite few of the interviewees reacted reluctantly to a proposal of clarifying uncertainty in CBA and attempting to quantify it, while nearly half of them clearly approved

it. Most interviewees found it useful to try to quantify the uncertainty in CBA. (Among the Dutch it was pointed out that this could already be taken care of by sensitivity analysis.) In the follow-up question about the possible impact of clarifying and presenting CBA uncertainty (Que. N21), a larger share of the interviewees saw the possibility that quantification of uncertainty could lead to (even more) reduced weight of CBA in the decision-making process.

Indicating a lack of trust in valuation, or denoting valuation unreliable, may be related to the uncertainty issue, but also to a methodological validity issue. We therefore include another sub-group designed as “lack of reliability” (C5). Approximately half of the respondents stated trust in economic valuation methods, but several of these stated confidence with some conditions (Que. N14). Some respondents pointed to the poor data quality as a reason for not trusting valuation methods. This was mentioned by respondents from Southern/Central Europe. (This may also be related to lack of reliable information about risk, rather than to perceived methodological flaws.) Others stated that the valuation methods were unreliable, as a reason for not trusting them. This last reason could to some extent be related to fundamental critique rather than technical, but it is still retained as a technical barrier presumably resulting from technical deficiencies in the applied methodology. (This could probably point towards a validity issue or towards an uncertainty issue). It should be noted that the type of economic valuation was not specified in this question, and that different perceptions and practices exist between decision makers and between countries.

Respondents were also asked if they would skip accident reduction benefits (measured in €) in CBA (of infrastructure projects) and replace it by estimated benefits (measured in €) due to regional spill-over effects (Que. N26). Close to half of the interviewees either declined to answer or proposed to include both effects. More answered ‘no’ than ‘yes’, many substantiating their ‘no’ by stating that safety and life saving is cardinal. However, it is somewhat dubious if this relates to “lack of reliability” of methodology (C5) or to some fundamental barrier. Although regional effects, in terms of expected spill-over effects, may constitute a decisive element for implementing an infrastructure project (Elvik 1995) – be it with propitious or adverse effects on road safety, these are not to be included in CBA. With respect to infrastructure or road safety measures that affect travel demand (travel volume), the relevant valuation is the change in consumers’ surplus that results from the change in travel (Elvik 1999b).



Source: TØI report 785/2005

Figure 11: Underlying technical barriers to the use of EAT/CBA (C). Percent.

The technical/inherent barriers mentioned are summed-up in Figure 11. As displayed, lack of impact knowledge seems to be a decisive technical barrier. The inadequate treatment of uncertainty may also constitute an important underlying barrier.

5.5.6 Barriers related to the implementation of cost-effective policy options (D)

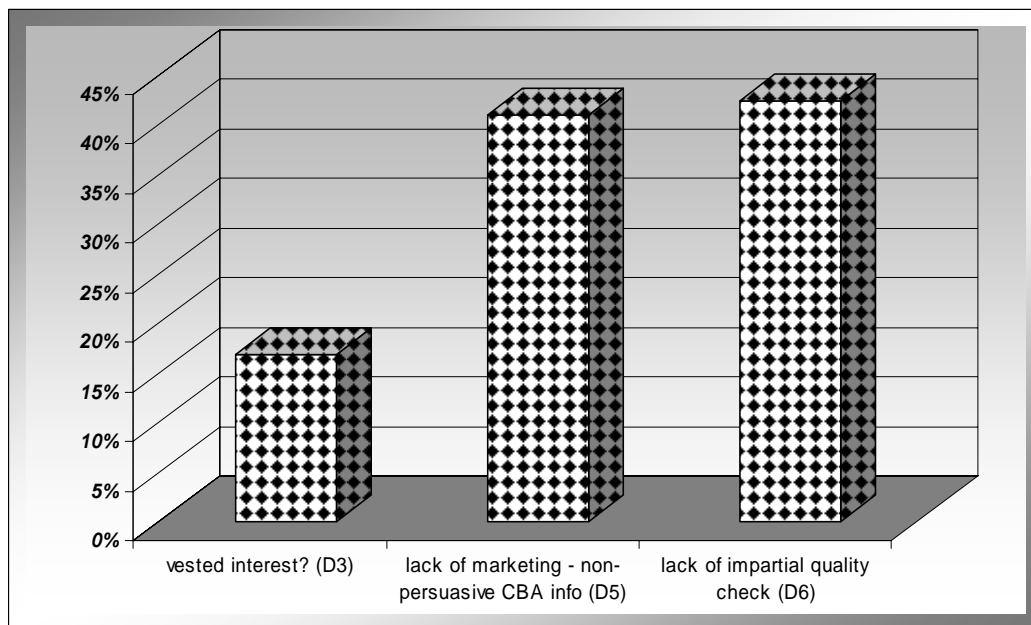
The only predetermined barrier to the implementation of effective options indicated among the main barriers is conflict of interests (indicated by 7% of all answers to N7), possibly indicating vested interests (D3).²⁵

Conflicts of interest, or possible vested interests (D3), was also indicated as an underlying barrier, in responses to the question about interference from politicians in road safety policy development (Que. N17). Several respondents indicated that politicians could impede implementation of efficient measures that were deemed “unpopular”. Other responses to the same question may be considered as indicating barriers in-between institutional and implementation-related. Social dilemmas (D1) could possibly be an underlying motivation of popularity seeking by politicians (listed among institutional barriers, under B). When some of the transport/safety bureaucrats/experts express limitations through directives and governing documents, it is also mostly to be considered as institutional barrier to the use of EAT, rather than lack of power to implement an efficient measure. We have chosen to disregard a further analysis of these statements.

²⁵ Neither social dilemmas (D1) nor lack of power (D2), nor lack of incentives (D4) were directly specified by the interviewees.

The predetermined barriers related to implementation can all be regarded as absolute barriers. However, the survey also included a question that may indicate an underlying relative barrier to the implementation of CBA-prescribed safety measures. Lack of marketing of efficient policies (D5) may constitute such an important underlying relative barrier to implementation. The barrier could also be denoted “non-persuasive CBA info”. This assessment is based on the responses to the question if CBA results would be given more weight in prioritising if presented in another manner (Que. N18). Approximately half of the interviewees believed CBA could gain more influence if results were presented differently. Suggestions for improvements included improved pedagogy or presenting the number of lives saved in addition to the CBA results. Furthermore, approximately half of the interviewees answered affirmatively that politicians put more emphasis on the numbers of fatalities or injuries prevented than on monetary values of ‘statistical lives’ and ‘statistical injuries’ (Que. N19). Several others found this to be possible (providing responses like “perhaps” or “yes, probably”). Although the prevention of fatalities or injuries does not by itself generate efficient priorities for road safety measures, the importance given to saved lives and limbs could probably strengthen the case for efficient road safety measures at the implementation stage.

A last possible barrier to be put under underlying barriers to the implementation is “lack of impartial quality check” (D6). This was based on the question about the need for a mandatory quality check of CBA of safety measures by an independent body (Que. L14). This may be closely related to methodological distrust and dispute, but also a belief about possible conflicts of interest combined with possible influences through servile/dishonest analysts. A slight majority answered affirmatively that it would be necessary to have a mandatory quality check on CBAs of road safety measures. This question was only asked at the regional/local and EU levels. This can be considered an absolute barrier.



Source: TØI report 785/2005

Figure 12: Underlying barriers to the implementation (D). Percent.

Figure 12 displays the extent of the underlying barriers to the implementation of efficient policy options.

5.6 Detected barriers versus predetermined barriers

Based on the descriptive analysis of the responses from the surveyed decision-makers some barriers have been detected that cannot easily be classified under the predetermined typology. The following “new” barrier types related to use/application of EAT (especially CBA) in road safety decision making can be proposed:

B Institutional barriers (barriers related to the organisation of policy making)

B10 Lack of clear responsibility to apply EAT (perform CBA)

B11 EAT are not recommended to be applied

B12 Tools for performing EAT (especially CBA) are inadequate

B13 Lack of workable EAT (CBA) know-how (lack of knowledge for a practical/simple application of EAT, especially CBA)

B14 Lack of profound EAT (CBA) know-how (lack of knowledge for a comprehensive application of EAT, especially CBA)

C Technical/methodological barriers (barriers related to inherent elements of the efficiency assessment tools)

C5 Lack of reliability of impact data and/or methodology (may be related to A3 – rejection of monetary valuation of risk changes)

D Barriers related to the implementation of cost-effective policy options

D6 Lack of impartial quality check (lack of confidence in institutions/organisations that perform EAT/CBA)

Table 8 sums up the detected barriers.

Table 8: Detected barriers.

	Barriers to use	Barriers to implementation
Absolute barriers (possibly not removable)	A1 Rejecting principles of welfare economics ? (possible <i>underlying</i> barrier indicated by 61% of interviewees)	
	A2 Rejecting efficiency as a relevant criterion of desirability ? (possible <i>underlying</i> barrier indicated by 55% of interviewees)	
	A3 Rejecting the monetary valuation of risk reductions (<i>underlying</i> barrier indicated by 23% of interviewees)	
	B5 Political opportunism (<i>main</i> barrier indicated by 14% of responses to question N7, also indicated as <i>underlying</i> barrier by 17% of interviewees)	
	B8 Scarcity / rigidity of reallocation mechanisms (<i>main</i> barrier indicated by 13% of responses to question N7, also indicated as <i>underlying</i> barrier by 15% of interviewees)	
	B10 Lack of responsibility (<i>underlying</i> barrier indicated by 36% of interviewees)	
	B11 EAT not recommended (<i>main</i> barrier indicated by 8% of responses to question N7)	
		D3 Vested interests in road safety measures (<i>main</i> barrier indicated by 9% of responses to question N7, also indicated as <i>underlying</i> barrier by 17% of interviewees)
	D6 Lack of impartial quality check (<i>underlying</i> barrier indicated by 42% of interviewees)	
Relative barriers (possibly removable)	B9 Wrong timing of EAT information in decision-making process (<i>underlying</i> barrier indicated by 70% of interviewees)	
	B12 Inadequate tools (<i>underlying</i> barrier indicated by 59% of interviewees)	
	B13 Lack of workable EAT know-how (<i>main</i> barrier indicated by 7% of responses to question N7)	
	B14 Lack of profound EAT know-how ? (possible <i>underlying</i> barrier indicated by 47% of interviewees)	
	C1 Lack of knowledge of relevant impacts (<i>main</i> barrier indicated by 23% of responses to question N7, also indicated as <i>underlying</i> barrier by 70%/67% of interviewees)	
	C2 Inadequate monetary valuation of relevant impacts (<i>main</i> barrier indicated by 6% of responses to question N7)	
	C4 Inadequate treatment of uncertainty (<i>underlying</i> barrier indicated by 48% of interviewees)	
	C5 Unreliability (<i>underlying</i> barrier indicated by 11%/17% of interviewees)	
		D5 Lack of marketing (<i>underlying</i> barrier indicated by 41% of interviewees)

Source: TØI report 785/2005

Some of the predetermined barrier types were indicated in a large share of the responses to the most important (open-ended) question about the *main* reasons why EAT are not (always) applied (Que. N7): Political opportunism (B3) and scarcity of resources (B8) were most often indicated among the institutional barriers, lack of knowledge of relevant impacts of safety measures (C1) was the most indicated among the technical, and vested interest (D3) was the most indicated barriers related to the implementation. Among the “new” barrier types, the non-recommendation of EAT (B11) and lack of workable EAT know-how (B13) were relatively much indicated among institutional barriers.

Most of the “new” barrier types relate to what has been denoted *underlying* barriers (indicated from various framed questions): Lack of a clear responsibility to apply EAT (B10) and inadequate tools for performing EAT (B12) may represent important institutional barriers. Lack of impartial quality check of results based on EAT, especially CBA (D6) may represent an important barrier to the implementation of policy based on these results.

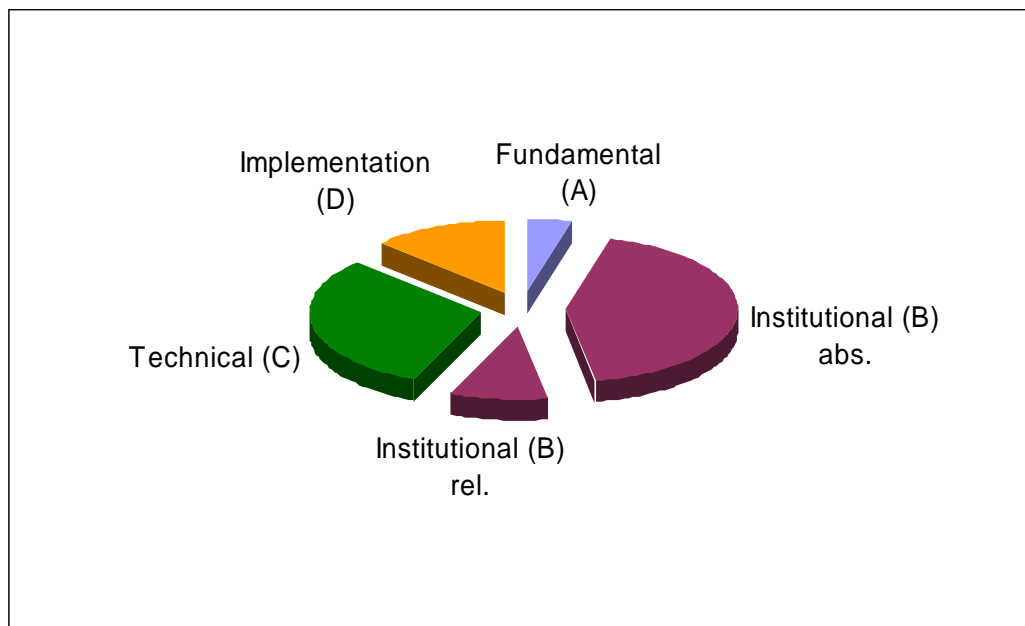
The interviews have also identified important *underlying* barriers from the predetermined barrier typology: A large part of the interviewees indicated attitudes or knowledge that seem contradictory to the fundamental theoretical principles and efficiency criteria of EAT, especially CBA (A1, A2). However, it cannot be concluded whether the responses indicate rejection of these fundamentals or lack of knowledge about economic theory. Indeed, lack of such “profound” know-how in the institutions that should apply EAT (perform) was indicated (B14). Another technical barrier indicated by many interviewees was the inadequate treatment of uncertainty in the analysis and reporting of results from EAT/CBA (C4) – and many of these would like to see the uncertainty clarified and spelled out. This is also somewhat related to a frequently indicated barrier to the implementation – the lack of marketing of the results from EAT/CBA – the non-persuasive CBA info (D5). Especially, if “saving lives and limbs” is valued monetarily in CBA and drives the results towards an advice of more/stricter road safety policy, this should be spelled out together with numbers of fatalities and (severe/serious) injuries prevented by means of efficient measures/policies.

5.7 Effects of weighting

To assess if sample imbalance between large and small countries affect the main results a simple weighting procedure was performed, by first levelling the sample weights (i.e., applying the largest sample, the Italian sample, as a basis for levelling-up the other samples), and then weight with respect to the respective country’s population (or another similar criterion, e.g., representatives in the EU Parliament).

In general it should be stressed that such weighting by population size,²⁶ giving relatively much more influence to (especially) single German responses and (also) Italian responses, still do not alter considerably the overall pattern or ranking of responses. We will illustrate this by re-drawing the figure of the main barriers:

²⁶ The EU responses were weighted as the largest EU country – Germany.



Source: TØI report 785/2005

Figure 13: Weighted distribution of responses to direct question about main barriers to the use of EAT (Que. N7).

As can be seen from comparing Figure 13 to Figure 5, the weighted distribution (by country population size) provides nearly identical representation of the responses to Que. N7 as the non-weighted case. This confirms the identification of *main* barriers, in terms of adequate sampling from countries on an aggregate scale. We will also stay on with the non-weighted responses in the following.

5.8 Barriers to the *use* vs. barriers to the *implementation*, and *absolute* vs. *relative* barriers

Barriers to the *use* of EAT in the transport/safety planning process, primarily institutional and technical, may have appeared as more pronounced among the main barriers than barriers to the *implementation*. However, this may to some extent follow from both the choice of questions and from the judgment of the answers. Except from the issues related to presentation of CBA results, the questionnaire mainly focused on the planning – policy development phase, since it was primarily directed towards bureaucrats and experts. The use of EAT for transport planning and safety measures (especially CBA) has been more common in the Northern European countries, and neoclassical methods for valuation of reduced accident risk have primarily been applied in The Netherlands and Norway, among the sampled nationalities. The conflicts of interest and political horse trading in the implementation process, in Norway, have been identified and described by, e.g., Ravlum and Stenstadvold (2001) and Nyborg and Spangen (1996). Some of the answers classified under e.g. institutional barriers to the use of EAT, e.g., political opportunism (popularity seeking), are clearly related to the implementation barriers. Further, as indicated in Figure 4 under section 4.6, also some of the

technical barriers, like uncertainty and dispute/unreliability, could hinder the implementation of policy options that a given CBA has concluded are efficient.

When it comes to the dimension of *absolute* versus *relative* barriers, the focus of the Thematic Network ROSEBUD, and to some extent this survey under Work Package 2, is primarily on those barriers that can be influenced/alterd – the relative ones. Although the difference between absolute and relative is not clear-cut, we have tried to distinguish between them in this summing-up assessment. The technical and several of the institutional barriers are deemed as possible to reduce. Even some barriers to the implementation (and even fundamental barriers) may be possible to influence.

The identified *main* relative barriers to the application of EAT for road safety measures were mostly technical and institutional (see Figure 5). These indicate a need for improved tools to perform CEA and, especially, CBA in relevant institutions, and a need for more research and improved estimates regarding the effects of measures (especially user-related measures), as well as improved estimates for monetary values.

Also for the identified *underlying* relative barriers the lack of adequate tools to perform efficiency analysis is standing out. But they also indicate some scope for promoting and propagating EAT in safety planning and decision-making.

5.9 Differences between countries / decision levels

Some differences between countries and decision levels have been accentuated in the qualitative summaries. In this section some of these differences will be re-stated and specified. To obtain some decent number in each group of countries we merge Norway, the Netherlands and Germany in “Northern”, and we merge Italy, Hungary, the Czech Republic and Israel in “Southern/Central”. We recognise that the Israeli responses in some cases show more similarity with the Northern group, and in some cases may show differences from all the European countries.

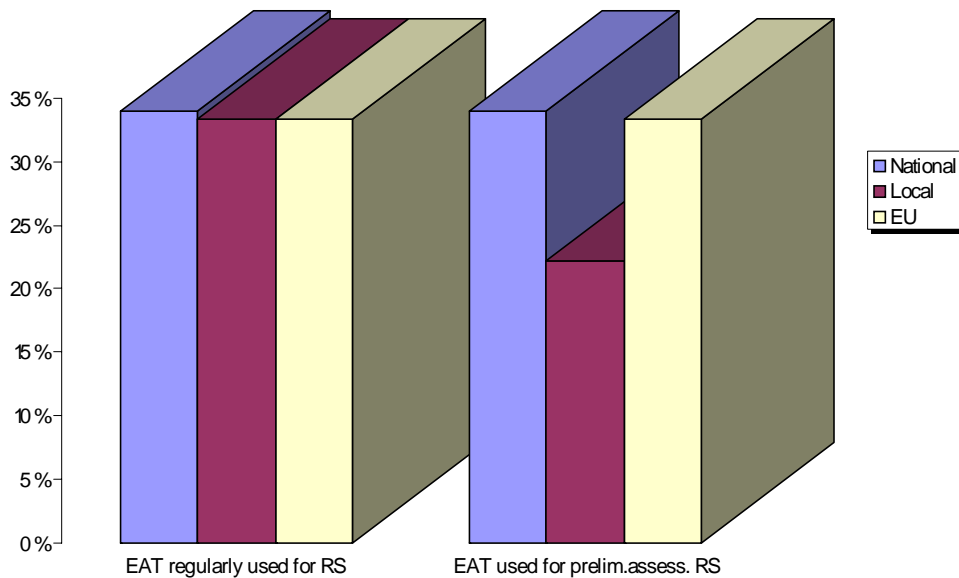
Although the EU group consisted mostly of respondents from Northern Europe (Germany), EU representatives clearly represent the whole EU decision level, not their country of origin’s national decision level. Thus, both this issue and the fact that they refer to a distinct decision level argue against including them in the comparison between the Northern and Southern/Central regions. For these comparisons the sample sizes will be 33 (Northern) plus 44 (Southern/Central) equals 77.

Regarding the comparisons between decision levels the EU group is, strictly speaking, too small for comparisons with the national-level and the local/regional-level. But it has still been included for what we may term illustrative purposes.

5.9.1 The use of EAT

Figure 14 displays the stated use of EAT by the respondents at the different decision levels. Actually, there are no differences in regular use of EAT for road safety assessments between the decision levels. The only difference may be relatively more use of CEA instead of CBA at the local/regional level. There is an

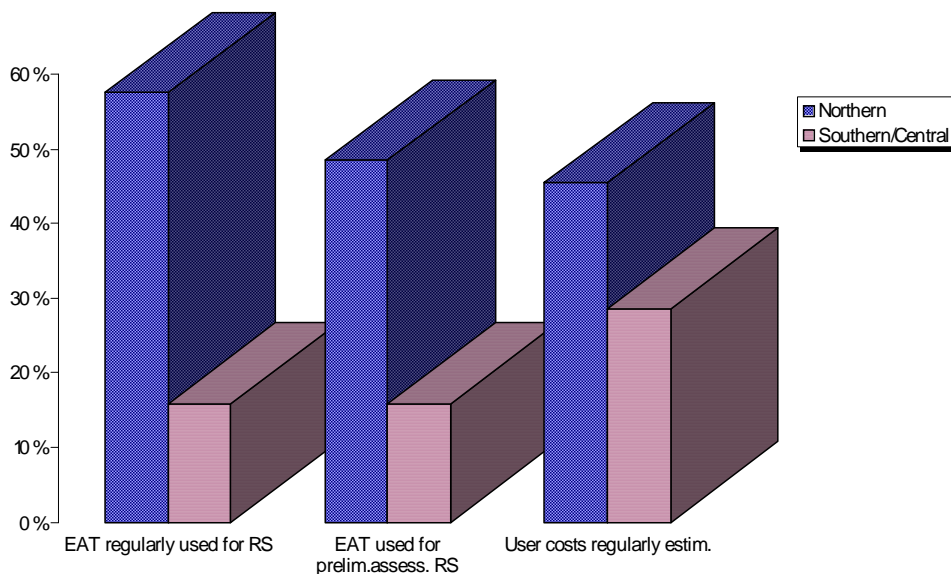
indication of slightly less use of EAT for preliminary assessment of road safety measures at the local/regional level.



Source: TØI report 785/2005

Figure 14: The use of EAT – comparing decision levels. Percent.

Figure 15 displays a similar comparison of stated use of EAT between the two geographical groups. In this case the differences are clearer. In the Northern European countries there is more regular use of EAT for road safety assessments, more use of EAT for preliminary assessment of road safety measures, and a more regular user cost estimation when new laws are considered. This is as indicated from chapter 3.1.

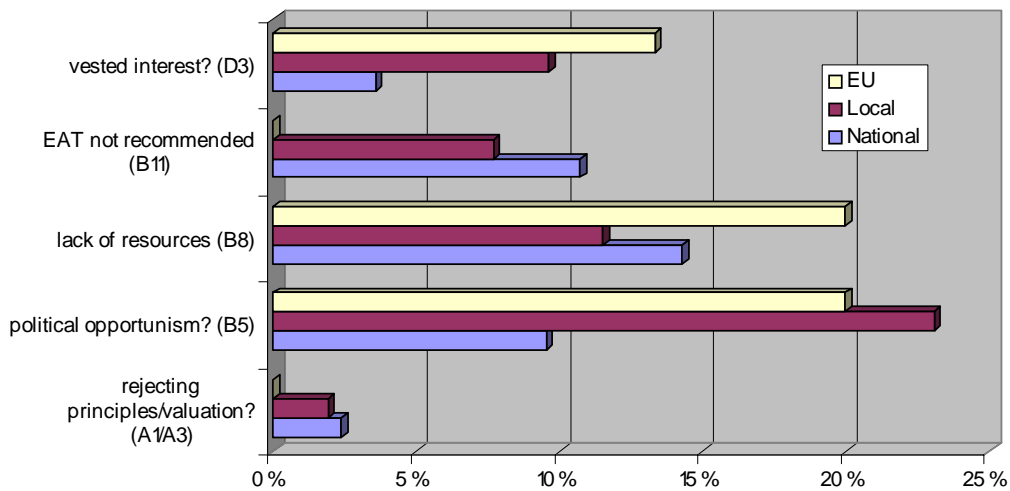


Source: TØI report 785/2005

Figure 15: The use of EAT – comparing geographical groups. Percent.

5.9.2 The absolute barriers

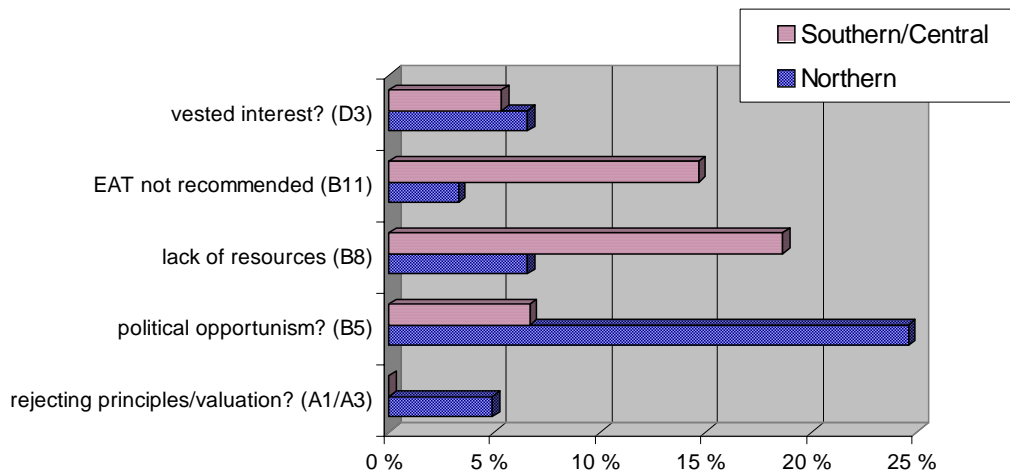
Figure 16 displays a comparison of the *main* absolute barriers between decision levels. A stronger push for popular measures (political opportunism) and more conflicts of interest (vested interests) are found at the local/regional level (and, possibly, the EU level) compared to the national level. The stated lack of resources seems more or less to be felt equally pressing at both the local/regional and national levels.



Source: TØI report 785/2005

Figure 16: Main absolute barriers – comparing decision levels. Percent.

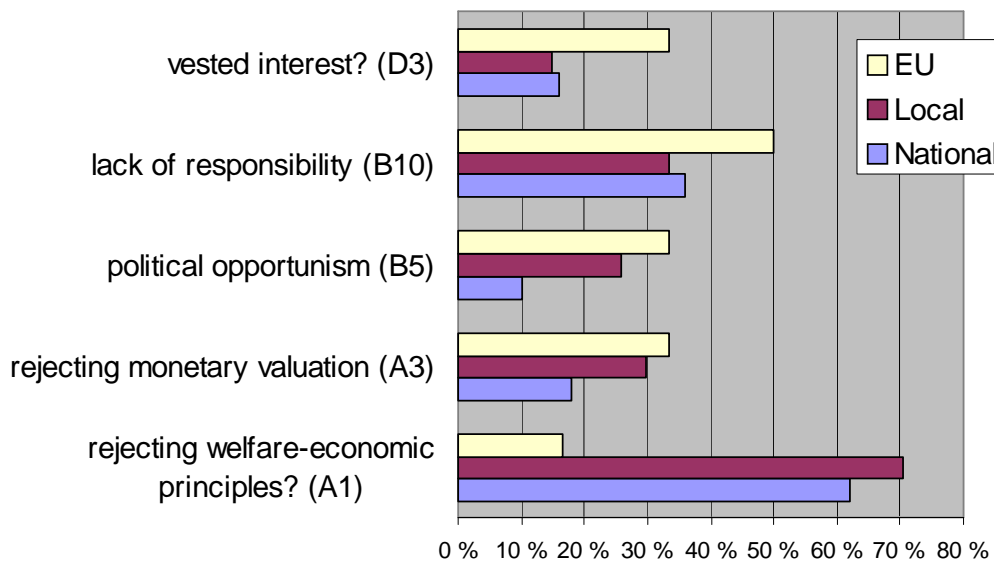
Figure 17 shows the comparison of main absolute barriers between the geographical groups. Except for political opportunism, the institutional barriers seem stronger in the Southern/Central countries, while in the Northern the barriers to the implementation have been more stressed. In those countries where EAT are least applied, it is not surprising that basic institutional barriers (“EAT not recommended” and “lack of resources”) are indicated as main barriers. In those countries where EAT is more regularly applied in the decision-making process, the main barriers seemingly relate to politicians’ push for other than the efficient measures or opposition to some of those deemed efficient.



Source: TØI report 785/2005

Figure 17: Main absolute barriers – comparing geographical groups. Percent.

Figure 18 displays the comparison of the indicated *underlying* absolute barriers between decision levels. Again the overall pattern of responses at the national and local/regional level are quite in accordance. But also in this case there seems to be a somewhat stronger element of political opportunism at the local/regional level.

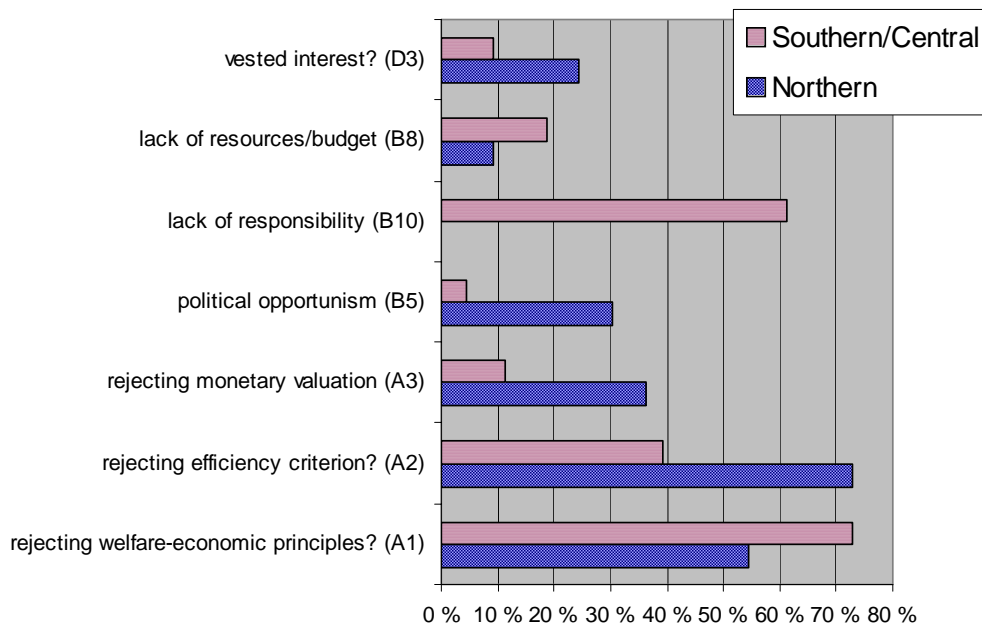


Source: TØI report 785/2005

Figure 18: Underlying absolute barriers – comparing decision levels. Percent.

Figure 19 provides the same comparison of underlying absolute barriers between the geographical groups. Again the basic institutional barrier of lacking

responsibility for initiating efficiency analysis is much more prominent in the Southern/Central countries, while political opportunism is relatively more emphasised from the Northern. There may also be some slight differences with respect to fundamental barriers, although the differences go both ways.

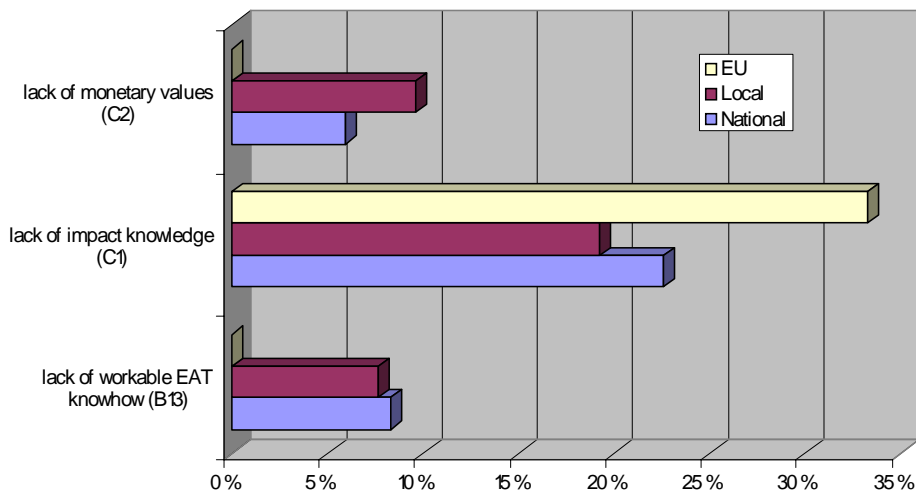


Source: TØI report 785/2005

Figure 19: Underlying absolute barriers – comparing geographical groups. Percent.

5.9.3 The relative barriers

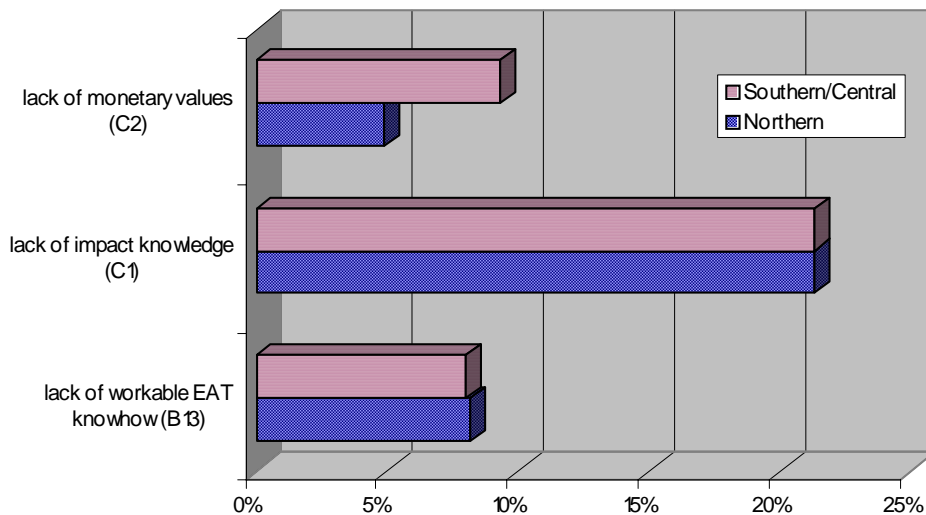
Figure 20 displays a comparison of the main relative barriers between decision levels. There are no differences worth mentioning between the national and the local/regional level when it comes to *main* relative barriers. At all decision levels the main relative barrier seems to be the lack of knowledge about the impacts of many (potential) road safety measures.



Source: TØI report 785/2005

Figure 20: Main relative barriers – comparing decision levels. Percent.

As Figure 21 indicates there are not very clear differences between the two geographical groups either, when comes to the *main* relative barriers. However, the lack of monetary values seems to be felt as a relatively more important technical barrier in the Southern/Central countries. For both groups the lack of impact knowledge is the most important main relative barrier.

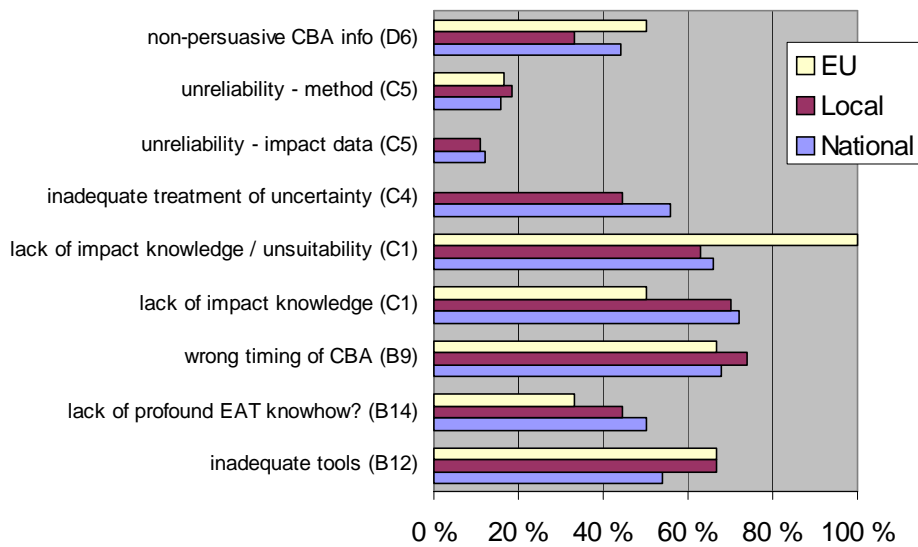


Source: TØI report 785/2005

Figure 21: Main relative barriers – comparing geographical groups. Percent.

There are no clear differences between the national and local/regional decision levels with respect to *underlying* relative barriers, as shown by Figure 22. Possibly the lack of adequate tools may be slightly more impeding at the

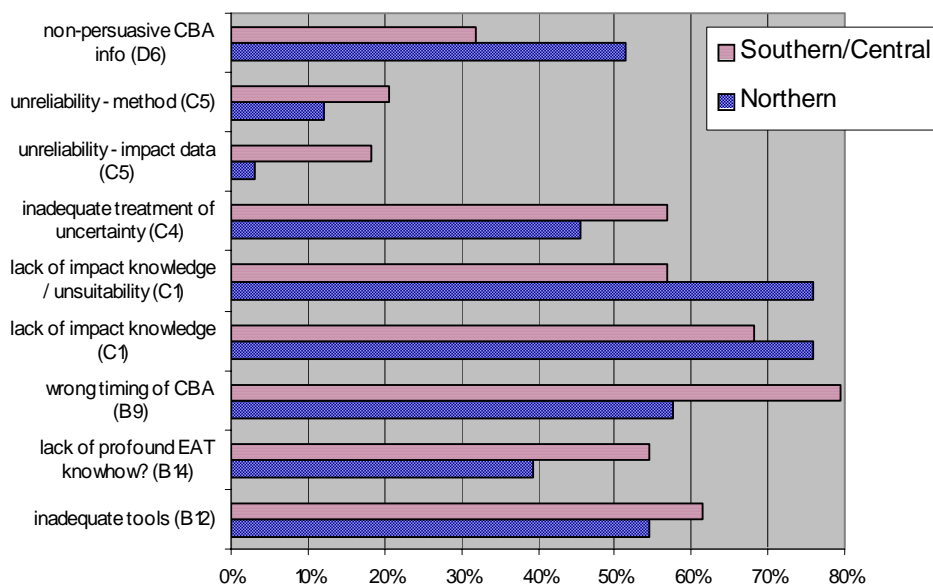
local/regional level than at the national. The lack of impact knowledge is stated with almost identical frequency.



Source: TØI report 785/2005

Figure 22: Underlying relative barriers – comparing decision levels. Percent.

Figure 23 displays the comparison of *underlying* relative barriers between the two geographical groups. Unsuitability of CBA for some road safety measures – presumably due primarily to lack of impact knowledge – was relatively more often indicated in the Northern group. They also put more stress on the information about (presentation of) CBA results. Inadequate treatment of uncertainty was relatively more pronounced by the Southern/Central group.



Source: TØI report 785/2005

Figure 23: Underlying relative barriers – comparing geographical groups. Percent.

6 Discussion and conclusions

This report has endeavoured to identify barriers to the use of efficiency assessment tools (EAT) in road safety policy. After an initial description of EAT (CEA and CBA) and policy-making models a typology of barriers has been specified, distinguishing between philosophical (A), institutional (B) and technical barriers (C) and barriers to the implementation (D). Also the dimension of absolute (practically immovable) versus relative (probably movable) barriers has been stressed. Although the policy-making models and the barrier typology were primarily developed for political decision-making, we have tried to apply and adopt it to the bureaucratic part of decision-making. Several new barrier types were proposed as a result of the descriptive analysis of the survey data.

The theoretical-methodological approach guided the development of a questionnaire for surveying (mostly bureaucratic) decision-makers in six European countries plus Israel. A total of 83 persons responded to the questionnaire, nearly $\frac{2}{3}$ of these representing the national (state) level, about $\frac{1}{3}$ the local/regional level, and some few representing the common EU decision-making level. Half of the respondents were leading their (transportation or road safety) department, while the other were mostly middle managers and senior consultants/researchers. Nearly all of them either were either making decisions on the priorities of road safety measures or developing methodologies for road safety assessment. About $\frac{1}{3}$ based these priorities or methodologies on EAT. It seems reasonable to state that the sampled individuals are influential in road safety policy formulation and initial prioritisation and decision-making (while only a couple of them were politicians – involved in the final stage, the implementation). It should also be reiterated that (only) 14% were economists – half of the sample were engineers and the rest representing (other) social sciences, law and planning.

Based on responses given to a question about the major reasons why CBA or CEA are not always performed for road safety measures, the larger share of stated reasons could be classified as institutional barriers – all together 56%. Most of these are *absolute* institutional barriers. Approximately $\frac{1}{3}$ of the reasons could be classified as technical (methodological) barriers – pointing primarily to the lack of knowledge of the impacts of measures, and, to a lesser extent, lack of monetary valuation of impacts. When we add the small share of *relative* institutional barriers – the lack of workable EAT know how (in the institution), the responses indicating relative barriers sum to nearly 40%.

The clearest difference between Northern Europe and Southern/Central Europe relate to the absolute barriers. In Southern/Central countries there are stronger institutional barriers to the use of EAT in the very initial parts of the decision-making process, i.e., non-recommendation or obscured responsibility related to application of EAT, in addition to lack of resources/tools. In Northern countries the main absolute barriers materialise mostly at the stage between the institutional

phase and the implementation phase (political opportunism and conflicts of interest).

The differences between the national and local/regional decision levels are less pronounced, except that political opportunism and conflicts of interest seem to constitute stronger barriers at the local/regional level. The responses indicate that the share of CBA, versus CEA, is lower at the local/regional level. And many respondents indicated that cost assessment at the local/regional level was applied together with purely qualitative judgments of the road safety measures.

Application of EAT presupposes knowledge of impacts of the measures that are to be assessed economically. A large part of the interviewees found such a technical barrier to the use of EAT. Where such impact knowledge is lacking, on a global scale or in a specific country (or needs to be adapted to a specific locality), it constitutes a (relative) barrier that road safety researchers can contribute to reduce through their work and cooperation. Responses to other questions in the survey, yielding what we may term *underlying* indications of barriers, support and detail some of the main indications, especially that there is still a large room for improved knowledge about the impacts of road safety measures.

Also the economic methodology (valuation) needs to be enhanced and standardised, according to the respondents' indications of unsuitability, uncertainty and unreliability related to impacts and to the methodology *per se*. A wide range of monetary approaches to transport and road safety assessment are currently applied (de Blaeij et al. 2004, Sælensminde 2002, Trawén et al. 2002). While specific value components may very well differ between European countries, due to differences in preferences or income, the methodology as such should not. It is important to clarify what economics is and what it is not. Such recognition will basically help standardise the procedures across Europe. Economics is limited to monetised values, but the extent of such valuations is far broader than what the layman would believe.²⁷ Some responses could indicate that road safety decision makers lack important knowledge of economic theory, e.g., the normative principles that economic values are based on individual preferences and willingness to pay, and that monetary values should be applied also to public goods.

²⁷ There is a reason to suppose that a standardisation of economic methodology applied to road safety assessment could improve the position of EAT. Those countries recommending highest monetarily values on safety risk reduction (preventing fatalities and injuries) have based their valuations on mainstream (neoclassical) economics. This is actually the economic theory that is taught in every leading OECD university, and this theory may also be considered as representing the core positive and normative theory of OECD economic systems. Thus, a standardisation rooted in mainstream theory would be expected to show increased efficiency of road safety in several European countries that at present do not recommend neoclassical valuation of safety risk reduction (Elvik 2003). Neoclassical economists do not form a fully uniform mass, there are controversies related to several aspects of theory and method, e.g., the CBA. However, it is important to get down to the baseline of neoclassical economics, that will clarify that economics is neither square-headed profit calculation nor technocratic rationality exercise. CBA do compare economic values, and these should be based on individual/household preferences for both private and public goods (either if these preferences and values are expressed and measured for increased mobility, increased safety, decreased noise, decreased air pollution, specific new devices in trams or in cars, or for any other change in a market or non-market good that is affected by the specific measure/policy).

An interesting feature is also the possible (relative) barrier related to the institutional timing of EAT in the decision-making process. We point out that there are two opposite considerations about timing. EAT should not be initiated until a broad survey of potentially effective road safety measures has been performed, so as to ensure that every relevant measure is included. However, what has been indicated by the majority of respondents is the second consideration – that EAT should be initiated as early as possible so as to carry more weight in the final stages of the decision-making. This institutional barrier should be regarded in connection with another (relative) barrier at the implementation phase – the presentation of the efficiency assessment results.

Half of the respondents found it possible (or sure) that results from CBA would be given more weight in prioritising if presented in another manner. Improved marketing/pedagogy was proposed, emphasising especially the number of lives saved by means of profitable measures. Although the CBA result, the benefit-cost ratio, does not display the lives and limbs saved, it is important to clarify that the monetary benefits of road safety measures actually mirror an expected reduction of grief and pain. *Marketing* of efficiency analysis results is not a specific task of road safety researchers (or transport/safety economists), but *dissemination* of research results is such a task. It is important to present the results in a comprehensible way for both laymen and politicians. This will imply both popularisation and plain-dealing. There is no reason to hide the fact that economic efficiency is measured in €. Yet, if a road safety measure or a policy is assessed as economically efficient, it is so precisely because it saves lives and limbs at a reasonable cost.

It is important to point out that the institutional barriers, generally deemed to be absolute and more predominant in southern/central countries, may after all not be that absolute. Analogous to other standardisation of product and procedures in the EU one may also imagine a standardisation of the foundation for decision-making of road safety policy in a direction towards more routine use of EAT in road safety policy. Notwithstanding this, the experience in the Northern countries is that use of EAT does not necessarily imply implementation of economically efficient policies.

Aiming at reducing or removing barriers to the use of EAT in road safety policy does not imply a technocratic position that CBA and CEA should dictate public policy (with the politicians as superfluous masters of ceremonies executing the rubber-stamping of the irrefutable truths from the economist clergy). In democratic systems politicians are elected to represent peoples' will, thus being entitled either to follow the priority result from EAT or to come up with something else. Moreover, the alternative to the representative rule would not in any case be CBA, giving a monetary expression of individuals'/households' will (with "one € one vote"), but referenda – "one man one vote" (Hanemann 1984).

The *raison d'être* of ROSEBUD was a recognition of too little use of EAT in European road safety policy. This comprised some implicit suppositions. It was expected that if decision-makers knew more about EAT, about how these methods can/should be applied and about what policy recommendations these analyses yield, the decision-makers would also become more positive towards this approach. This supposition is at least partly supported by the survey results, that

indicated both lack of knowledge about EAT and about economics in general – a lack of knowledge that also may be a foundation for a more fundamental barrier. E.g., a substantial part of the decision makers did *not* believe that implementing safety measures based on economic efficiency would reduce the numbers of fatalities and injuries, which is contrary to research results.

This is probably due to a mistaken view of economics as something that is limited to business, budgeting and macro numbers. Such a narrow view of economics makes it difficult to imagine that costly road safety measures could be economically profitable. Even if individuals/households actually trade-off both risk, health and environment against market goods (money) and time use, also through their transport choices, most of them seemingly believe that this has nothing to do with “real economics”. Economists regard this differently. They generally recognise that the value of (benefit from) preventing fatalities and injuries, based in large part on individual willingness to pay to reduce risk, will carry such a heavy weight as to render several (but not all) new road safety measures economically efficient. There are not only moral arguments for increased efforts on road safety, but also economic arguments. So far decision-makers have probably been reflecting on the moral problem of the traffic death toll rather than on the economic problem. And then, at the end of the day, they have too often yielded to other transport concerns that are less economically profitable than improved road safety.

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Appendix I: Response tables

I.1 The reported use of EAT in decision making process

Que. N6. To what extent is EAT performed for RS measures?									
	EU	No	NI	De	It	Hu	Cz	Il	all
generally performed	1	6	7	1	3	1	0	0	19
to some extent performed	1	2	2	4	1	2	0	0	12
only exceptionally performed	3	4	1	2	0	2	0	1	13
not performed	0	2	0	2	10	1	5	7	27
other / don't know	1	0	0	0	4	2	5	0	12

Source: TØI report 785/2005

Que. N3. What method is applied for making preliminary decisions on RS measures?									
	EU	No	NI	De	It	Hu	Cz	Il	all
primarily CBA	1	4	3	2	0	0	2	0	12
primarily CEA	1	0	1	0	1	1	0	0	4
primarily expected impact – some EAT	0	3	1	2	1	2	0	0	9
expected impact / accident data	0	3	0	1	3	1	5	5	18
qualitative / mix	2	3	3	4	3	3	1	1	20
experience	0	1	0	0	2	0	0	2	5
Other	2	0	2	0	8	1	2	0	15

Source: TØI report 785/2005

Que. N5. Will costs for RS measures imposed on road users be estimated?									
	EU	No	NI	De	It	Hu	Cz	Il	all [†]
yes, generally	0	1	4	0	2	1	3	0	11
If costs are known	4	4	1	0	1	1	0	0	11
No	1	4	0	6	9	3	2	4	29
Other / don't know	1	1	1	0	0	0	2	0	5

Source: TØI report 785/2005

[†] The question was only applied in the questionnaires for the national and EU level (not applied in the local/regional questionnaire), thus the sum of responses is 56.

I.2 Major reasons for not applying EAT

Que. N7. Major reasons why EAT are not always performed?										
	EU	No	NI	De	It	Hu	Cz	Il	all [†]	
emotional barriers	0	0	3	0	0	0	0	0	3	A
measure decided at the outset	0	7	1	0	0	0	0	0	8	B
EAT not applied anyway	3	2	3	2	1	1	1	2	15	B
lack of resources/tools	3	3	0	1	5	3	4	2	21	B
EAT not recommended/imposed	0	1	1	0	2	0	6	3	13	B
impact is unknown	5	6	5	2	9	2	2	3	34	C
safety valuation difficult/lacking	0	0	2	1	6	0	0	1	10	C
EAT disputed/non-trusted	0	0	0	4	0	0	0	5	9	B
measure small/cheap	1	3	2	2	0	0	0	2	10	B
EAT unfamiliar/unknown	0	1	3	1	6	0	0	0	11	B
€of RS conflict other interests	2	1	2	1	1	2	0	1	10	D
Other / don't know	1	1	0	0	2	1	2	0	7	

Source: TØI report 785/2005

[†] Each respondent could state more than one reason, thus the sum is higher than 83.

I.3 Fundamental barriers to the use of EAT (A)

Que. N11. Is it helpful to value reduced fatalities/injuries in €?

	EU	No	NI	De	It	Hu	Cz	Il	all
not helpful	2	2	6	4	1	0	1	3	19
helpful, but # of fatalities/injuries weigh most	0	3	0	1	0	0	0	0	4
helpful, but # of fatalities/injuries also weigh	2	2	2	2	9	2	7	2	28
helpful/advantageous	2	7	2	2	8	5	2	2	30
Other	0	0	0	0	0	1	0	1	2

Source: TØI report 785/2005

Que. N13. Do you see ethical objections to valuation in € of reduced fatalities/injuries?

	EU	No	NI	De	It	Hu	Cz	Il	all
Yes	1	7	4	4	3	0	2	1	22
No	5	7	6	5	15	8	7	7	60
Other	0	0	0	0	0	0	1	0	1

Source: TØI report 785/2005

Que. N25. Should € values should count equally for mobility, noise and accident risks?

	EU	No	NI	De	It	Hu	Cz	Il	all
Yes, sure	2	1	1	1	3	1	0	1	10
Yes, fairly sure	0	1	2	0	0	1	0	0	4
Yes, but unsure	0	2	0	1	0	0	0	0	3
Not sure / don't know	3	1	1	4	3	1	1	1	15
No, but unsure	0	2	0	0	1	0	0	0	3
No, fairly sure	0	1	1	0	4	0	3	1	10
No, sure	1	6	5	3	7	5	6	5	38

Source: TØI report 785/2005

Que. N15. Would "perfect CBA" make it defensible to set priorities strictly according to CBA?									
	EU	No	Nl	De	It	Hu	Cz	Il	all †
No	0	0	4	0	2	0	3	1	10
no, one should still weigh other considerations	0	1	0	1	0	0	0	0	2
no, one would still have ethical objections	1	1	0	0	0	0	0	0	2
no, one would still have other considerations	2	6	1	1	1	0	2	1	14
no, politicians would still decide CBA	1	0	1	0	0	0	0	1	3
yes, partly	2	2	0	3	4	0	0	0	11
Yes	0	0	0	1	5	4	2	1	13
other	0	0	0	0	0	1	0	0	1

Source: TØI report 785/2005

† The question was only applied in the questionnaires for the national and EU level (not applied in the local/regional questionnaire), thus the sum of responses is 56.

Que. N23. Will more CBA make politicians superfluous?									
	EU	No	Nl	De	It	Hu	Cz	Il	all †
No	1	1	1	2	3	4	2	2	16
no, they will anyhow make overall judgment	4	8	5	3	9	0	0	1	30
Yes	0	1	0	0	0	0	1	1	3
Other	1	0	0	1	0	1	4	0	7

Source: TØI report 785/2005

† The question was only applied in the questionnaires for the national and EU level (not applied in the local/regional questionnaire), thus the sum of responses is 56.

I.4 Absolute institutional barriers to the use of EAT (B)

Que. N17. To which degree do politicians give instructions at odds with CBA?

	EU	No	Nl	De	It	Hu	Cz	Il	all
Push for "popular" measures	2	4	3	3	1	0	0	1	14
reject "unpopular" measures	2	3	3	2	0	2	1	1	14
approach RS opposed to CBA	2	2	4	3	1	3	2	2	19
interfere through steering documents	0	1	0	0	5	1	0	0	7
politicians do not interfere	0	2	0	0	4	1	0	3	10
Other / don't know	0	2	0	1	7	1	7	1	19

Source: TØI report 785/2005

Que. N10. Is obscured responsibility for performing CBA a hindrance for doing CBA?

	EU	No	Nl	De	It	Hu	Cz	Il	all
CBA is irrelevant/non-obligatory	0	0	0	0	1	1	1	5	8
Yes	3	0	0	0	13	5	9	0	30
in some cases	2	2	0	3	1	0	0	0	8
No	1	12	0	5	2	2	0	2	24
Other	0	0	10	1	1	0	0	1	13

Source: TØI report 785/2005

Que. L4. Do you operate with a specific budget for safety measures?

	EU	No	Nl	De	It	Hu	Cz	Il	all [†]
yes, generally	0	3	3	1	0	1	0	2	10
yes, to some extent	0	1	1	1	0	0	1	2	6
No	0	0	0	1	0	1	2	0	4
Other	0	0	0	0	6	1	0	0	7

Source: TØI report 785/2005

[†] The question was only applied in the questionnaire for the local/regional level (not applied in the national and EU questionnaires), thus the sum of responses is 27.

I.5 Relative institutional barriers to the use of EAT (B)

Que. N9. Are the current tools for performing CBA adequate?

	EU	No	NI	De	It	Hu	Cz	Il	all
inadequate tools not relevant	0	0	1	0	0	0	1	1	3
Tools generally not adequate	2	0	4	4	4	5	6	5	30
Faulty extent	1	0	2	0	3	0	0	0	6
lack of guidelines/manuals/software	1	3	0	1	3	0	0	0	8
lack of courses/training	0	4	0	0	0	0	1	0	5
Adequate	0	4	1	3	3	2	1	0	14
Other / don't know	2	3	2	1	5	1	1	2	17

Source: TØI report 785/2005

Que. N24. Would prioritising according to CBA increase or decrease expected number of fatalities/injuries?

	EU	No	NI	De	It	Hu	Cz	Il	all
Decrease, sure	1	2	1	2	3	3	2	0	14
Decrease, fairly sure	0	4	1	0	5	4	3	2	19
Decrease, but unsure	2	3	0	1	1	0	0	0	7
No change / not sure / don't know	3	2	7	4	7	1	5	5	34
Increase, but unsure	0	0	0	1	0	0	0	0	1
Increase, fairly sure	0	1	0	0	1	0	0	0	2
Increase, sure	0	2	1	1	1	0	0	1	6

Source: TØI report 785/2005

Que. N8. Will results from EAT have more influence if performed at an earlier stage?

	EU	No	NI	De	It	Hu	Cz	Il	all
Yes, definitely	1	0	6	6	6	5	8	4	36
Yes, probably	3	5	0	2	8	1	2	1	22
depends on type of measure	0	1	2	0	1	0	0	0	4
no, probably not	2	6	1	0	1	0	0	0	10
no, definitely not	0	0	1	1	2	1	0	1	6
other / don't know	0	2	0	0	0	1	0	2	5

Source: TØI report 785/2005

I.6 Technical/methodological barriers to the use of EAT (C)

Que. N4. Are impacts of RS measures sufficiently known during planning?

	EU	No	Nl	De	It	Hu	Cz	Il	all
no, mostly not	0	6	0	1	12	3	3	3	28
in some cases not	2	6	2	0	2	3	1	1	17
not for user-related measures	1	1	4	5	1	0	0	1	13
yes, physical measures	0	0	0	0	0	0	1	1	2
yes, mostly	2	1	1	3	3	1	2	1	14
Other / don't know	1	0	3	0	0	1	3	1	9

Source: TØI report 785/2005

Que. N22. Are some RS measures less suitable for CBA?

	EU	No	Nl	De	It	Hu	Cz	Il	all
No	3	2	4	0	4	7	2	2	24
measures w/ uncertain impact	3	7	5	7	6	1	0	3	32
cheap measures	0	3	0	0	4	0	1	1	9
Yes	0	1	0	0	0	0	3	1	5
other / don't know	0	1	1	2	4	0	4	1	13

Source: TØI report 785/2005

Que. N20. Would it be useful to quantify CBA uncertainty?

	EU	No	Nl	De	It	Hu	Cz	Il	all
No	2	2	0	2	2	1	2	2	13
use sensitivity analysis	0	0	3	0	0	0	0	0	3
Possibly	4	4	2	2	1	2	1	0	16
degree of uncertainty, not quantify	0	2	0	1	0	0	0	1	4
Yes	0	6	3	3	12	4	4	4	36
other / don't know	0	0	2	1	3	1	3	1	11

Source: TØI report 785/2005

Que. N21. Will presentation of CBA uncertainty impair CBA?									
	EU	No	NI	De	It	Hu	Cz	Il	all
No, definitely not	2	0	3	0	4	5	4	2	20
No, probably not	1	4	2	3	3	1	0	2	16
CBA could be used at pleasure	0	1	1	0	0	0	0	0	2
Possibly	1	5	2	1	3	1	2	0	15
Yes	2	3	0	2	6	0	2	3	18
other / don't know	0	1	2	3	2	1	2	1	12

Source: TØI report 785/2005

Que. N14. Can we trust economic valuation of reduced fatalities/injuries?									
	EU	No	NI	De	It	Hu	Cz	Il	all
Yes	0	7	1	3	4	2	1	1	19
yes, conditionally	5	5	2	5	2	1	1	1	22
No, data quality is too poor	0	1	0	0	3	1	2	2	9
No, methods are unreliable	1	1	2	1	6	2	1	0	14
other / don't know	0	0	5	0	3	2	5	4	19

Source: TØI report 785/2005

Que. N26. Would it be more correct to include spill-over effects instead of safety impacts in CBA?									
	EU	No	NI	De	It	Hu	Cz	Il	all
No, sure	1	9	0	0	2	1	2	1	16
No, fairly sure	0	1	1	1	3	2	2	0	10
No, but unsure	0	1	0	0	0	0	1	0	2
Include both / not certain / don't know	3	3	7	8	3	2	3	6	35
Yes, but unsure	0	0	0	0	2	0	0	0	2
Yes, fairly sure	0	0	1	0	3	2	0	0	6
yes, sure	2	0	1	0	5	1	2	1	12

Source: TØI report 785/2005

I.7 Barriers to the implementation of cost-effective policy options (D)

Que. L14. Would it be necessary to have a mandatory quality check on CBA?

	EU	No	NI	De	It	Hu	Cz	Il	all [†]
No	1	1	3	0	0	1	0	2	8
Yes	5	2	0	2	0	2	1	2	14
Other / don't know	0	1	1	1	6	0	2	0	11

Source: TØI report 785/2005

[†] The question was only applied in the questionnaires for the local/regional and EU level (not applied in the national questionnaire), thus the sum of responses is 33.

Que. N18. Could CBA gain more influence if presented differently?

	EU	No	NI	De	It	Hu	Cz	Il	all
No	2	5	3	3	5	3	3	2	26
Possibly	0	0	0	3	3	0	1	0	7
yes, weighing number of saved lives	0	3	0	1	2	1	0	0	7
yes, trough better marketing	1	1	0	0	1	0	0	1	4
yes, by improving pedagogy	1	4	5	0	2	0	0	0	12
Yes	1	0	1	2	2	1	3	1	11
Other / don't know	1	1	1	0	3	3	3	4	16

Source: TØI report 785/2005

Que. N19. Do politicians weigh numbers of fatalities/injuries more than €?

	EU	No	NI	De	It	Hu	Cz	Il	all
no, they weigh both	1	3	3	0	5	2	2	0	16
Possibly	2	3	1	2	2	3	0	1	14
yes, "lives saved"	1	2	1	0	1	0	0	2	7
yes, definitely	2	5	3	7	8	2	2	4	33
other / don't know	0	1	2	0	2	1	6	1	13

Source: TØI report 785/2005

Appendix II: Questionnaires

I.8 Common questionnaire introduction

First of all, this is an interview about opinions, not a knowledge test. The correct answer is the answer that represents your opinion or personal knowledge as accurately as possible. At the end of the interview you will get the opportunity to return to some questions or mention issues that you think the questions did not include. Individual responses are confidential. No names will be presented, but type of profession, type of affiliation and nationality will be included in analysis.

The purpose of this interview is to learn more about the use of formal methods for impact assessment in planning and priority setting for road safety measures. By formal methods for impact assessment we mean estimations of the impact of road safety measures and estimations of the cost effectiveness and benefit-cost ratio of these measures. The impact of safety measures is their percentage effect on the number of accidents or injured and killed road users. Cost effectiveness denotes how many accidents or injuries or fatalities are prevented per € it costs to implement the measure. Cost-benefit ratios are the results of cost-benefit analyses, whereby one estimates all relevant benefits in € and compare these with the costs of the measure. Relevant benefits will often comprise impacts on mobility and the environment in addition to impacts on road safety.

We are interested in learning about the use of formal impact assessment and efficiency analyses of road safety measures and what could hinder the use of such analyses.

I.9 Questions at national level (final draft of 04.06.03)

- N1. In what way are you actually involved in the use of formal impact assessment and efficiency analysis of road safety measures?
- N2. Have you, yourself, applied or evaluated cost effectiveness and cost-benefit analysis in the decisions on road safety measures?
- N3. What method is applied for making preliminary decision on the introduction of safety measures within your administration's responsibility?
- N4. Are the impacts of road safety measures sufficiently known to permit estimation of expected effects during planning of such measures?
- N5. Will the costs of road safety measures imposed on road users be estimated when new legislation is proposed?
- N6. Cost-benefit analyses are regularly performed for larger road investments. To what extent are cost-effectiveness analyses or cost-benefit analyses performed for other road safety measures within your administration's responsibility?

- N7. In your opinion, what are the major reasons why cost-benefit analyses or evaluations of cost-effectiveness are not always performed for road safety measures?
- N8. Will the results from cost-benefit analysis and cost-effectiveness evaluation have more influence on final political decisions if they are performed at an earlier stage of the decision-making process?
- N9. In your opinion, are the current tools for performing cost-benefit analyses of road safety measures adequate? By tools we mean the resources available in terms of soft ware, guidelines, courses, et cetera?
- N10. Is obscurity about the responsibility for performing cost-benefit analysis of road safety measures a hindrance for doing such analyses?
- N11. In cost-benefit analysis all relevant impacts are valued in €. In your opinion, is this helpful for road safety, or is it better only to estimate impacts in terms of numbers of fatalities and injuries?
- N12. How could better decisions be made by abstaining from a monetary valuation of the impacts on road safety?
- N13. Do you see any ethical objections to valuation in € of reduced risk for injuries and deaths on roads, and in case you do, could you please state what such objections might be?
- N14. In your opinion, can we trust current economic valuations of reduced risk for accidents and injuries on roads, and if not, why?
- N15. Imagine that extensive research had been made, providing monetary valuations of every possible impact of road safety measures, applying the best available methods. Would this, in your opinion, make it defensible to set priorities for road safety measures strictly according to cost-benefit analyses?
- N16. If not even the best imaginable analyses are felt to provide an adequate basis for formally setting priorities for road safety measures based on the results of cost-benefit analyses, what might be the reason for such an position?
- N17. To which degree do the political leaders, that is, the minister and the other political representatives in the Ministry, set instructions for prioritising of road safety measures that are at odds with priorities from cost-benefit analysis; and how are such instructions justified?
- N18. If results from cost-benefit analyses are given limited weight in prioritising; do you think this would change if the results were presented in another manner?
- N19. Do politicians put more weight on the number of fatalities and injuries than on the monetary valuation of these impacts?
- N20. In your opinion, should one, to a larger degree, clarify that results of cost-benefit analyses are uncertain; and would it be useful to quantify this uncertainty?
- N21. If the uncertainty in the results from cost-benefit analyses is presented, do you think this could lead to a disregard of the results from cost-benefit analyses?
- N22. In your opinion, are there types of road safety measures that are less suitable for cost-benefit analysis than other measures; and, in that case, why?
- N23. Some politicians claim they would be superfluous if policy is based on results from cost-benefit analyses. Do you share this view?

- N24a. If the implementation of road safety measures were strictly based on results of cost-benefit analyses, do you think this would imply an increased, decreased, or unchanged number of expected injuries and fatalities on roads?
- N24b. How sure are you about your answer?
- N25a. In cost-benefit analyses of road investments, do you think a € value shall count equally for reduced time loss for leisure, reduced noise, reduced risk of accidents and reduced time loss for business?
- N25b. How sure are you about your answer?
- N26a. Do you think it would be more correct to include regional impacts in cost-benefit analyses, beyond reduced time loss for business, for example employment and other spillover effects, instead of valuation of road safety impacts?
- N26b. How sure are you about your answer?
- N27. Finally, what is your profession?
- N28. And, what is your educational degree?
- N29. Do you have any further comments on the questions or related issues?
- FOR THE INTERVIEWER TO REGISTER:
- Affiliation (what ministry, road administration or other): _____
- Position (level in hierarchy): _____

I.10 Questions at local/regional level (final draft of 15.10.03)

- L1. In what way are you actually involved in the use of formal impact assessment and efficiency analysis of road safety measures?
- L2. Have you, yourself, applied or evaluated cost effectiveness and cost-benefit analysis in the decisions on road safety measures?
- L3. What method is applied for making preliminary decision on the introduction of safety measures within your administration's responsibility?
- L4. Do you operate with a specific budget for safety measures?
- L5. Are the impacts of road safety measures sufficiently known to permit estimation of expected effects during planning of such measures?
- L6. Cost-benefit analyses are regularly performed for larger road investments. To what extent are cost-effectiveness analyses or cost-benefit analyses performed for other road safety measures within your administration's responsibility?
- L7. In your opinion, what are the major reasons why cost-benefit analyses or evaluations of cost-effectiveness are not always performed for road safety measures?
- L8. Will the results from cost-benefit analysis and cost-effectiveness evaluation have more influence on final political decisions if they are performed at an earlier stage of the decision-making process?
- L9. In your opinion, are the current tools for performing cost-benefit analyses of road safety measures adequate? By tools we mean the resources available in terms of soft ware, guidelines, courses, et cetera?
- L10. Is obscurity about the responsibility for performing cost-benefit analysis of road safety measures a hindrance for doing such analyses?

- L11. In cost-benefit analysis all relevant impacts are valued in €. In your opinion, is this helpful for road safety, or could better decisions be made by abstaining from monetary valuation of the impacts on road safety?
- L12. Do you see any ethical objections to valuation in € of reduced risk for injuries and deaths on roads, and in case you do, could you please state what such objections might be?
- L13. In your opinion, can we trust current economic valuations of reduced risk for accidents and injuries on roads, and if not, why?
- L14. Do you think it would be necessary to have an obligatory quality check on cost-benefit analyses of road safety measures and transport developments, performed by an organisation that is independent of those performing the cost-benefit analyses?
- L15. To which degree do the political leaders of the region/county/municipality set instructions for prioritising of road safety measures that are at odds with priorities from cost-benefit analysis; and how are such instructions justified?
- L16. If results from cost-benefit analyses are given limited weight in prioritising; do you think this would change if the results were presented in another manner?
- L17. Do politicians put more weight on the number of fatalities and injuries than on the monetary valuation of these impacts?
- L18. In your opinion, should one, to a larger degree, clarify that results of cost-benefit analyses are uncertain; and would it be useful to quantify this uncertainty?
- L19. If the uncertainty in the results from cost-benefit analyses is presented, do you think this could lead to a disregard of the results from cost-benefit analyses?
- L20. In your opinion, are there types of road safety measures that are less suitable for cost-benefit analysis than other measures; and, in that case, why?
- L21a. If the implementation of road safety measures were strictly based on results of cost-benefit analyses, do you think this would imply an increased, decreased, or unchanged number of expected injuries and fatalities on roads?
- L21b. Could you please shortly explain your answer, and state how sure you are about your answer?
- L22a. Imagine a cost-benefit analysis of a road investment. It includes € values of both reduced time loss for business, reduced time loss for leisure, reduced noise, in addition to reduced risk of accidents. Do you think the € values for these different impacts should be weighted differently or do you think a € for one impact should count equally as a € for another impact?
- L22b. Could you please shortly explain your answer, and state how sure you are about your answer?
- L23a. Imagine another cost-benefit analysis of a road investment, in a non-central region, involving the same values of reduced time loss for business, reduced time loss for leisure, reduced noise, and reduced risk of accidents. Do you think the economic analysis should skip noise and accident risk, and present these as non-economic benefits of noise-suppression and saved lives; and instead include in the cost-benefit analysis regional impacts

beyond reduced time loss for business, for example employment and other spill-over effects?

L23b. Could you please shortly explain your answer, and state how sure you are about your answer?

L24. Finally, what is your profession?

L25. And, what is your educational degree?

L26. Do you have any further comments on the questions or related issues?

FOR THE INTERVIEWER TO REGISTER:

Affiliation (which regional/municipal organisation): _____

Position (level in hierarchy): _____

I.11 Questions at EU level (final draft of 15.10.03)

E1. In what way are you actually involved in the use of formal impact assessment and efficiency analysis of road safety measures?

E2. Have you, yourself, applied or evaluated cost effectiveness and cost-benefit analysis in the decisions on road safety measures?

E3. What method is applied for making preliminary decision on the introduction of safety measures within your administration's responsibility?

E4. Are the impacts of road safety measures sufficiently known to permit estimation of expected effects during planning of such measures?

E5. Will the costs of road safety measures imposed on road users be estimated when new legislation is proposed?

E6. Cost-benefit analyses are regularly performed for larger road investments. To what extent are cost-effectiveness analyses or cost-benefit analyses performed for other road safety measures within your administration's responsibility?

E7. In your opinion, what are the major reasons why cost-benefit analyses or evaluations of cost-effectiveness are not always performed for road safety measures?

E8. Will the results from cost-benefit analysis and cost-effectiveness evaluation have more influence on final political decisions if they are performed at an earlier stage of the decision-making process?

E9. In your opinion, are the current tools for performing cost-benefit analyses of road safety measures adequate? By tools we mean the resources available in terms of soft ware, guidelines, courses, et cetera?

E10. Is obscurity about the responsibility for performing cost-benefit analysis of road safety measures a hindrance for doing such analyses?

E11. In cost-benefit analysis all relevant impacts are valued in €. In your opinion, is this helpful for road safety, or could better decisions be made by abstaining from monetary valuation of the impacts on road safety?

E12. Do you see any ethical objections to valuation in € of reduced risk for injuries and deaths on roads, and in case you do, could you please state what such objections might be?

E13. In your opinion, can we trust current economic valuations of reduced risk for accidents and injuries on roads, and if not, why?

E14. Do you think it would be necessary to have an obligatory quality check on cost-benefit analyses of road safety measures and transport developments,

- performed by an organisation that is independent of those performing the cost-benefit analyses?
- E15. Imagine that extensive research had been made, providing monetary valuations of every possible impact of road safety measures, applying the best available methods. Would this, in your opinion, make it defensible to set priorities for road safety measures far more strictly according to cost-benefit analyses?
- E16. To which degree do the political leaders, that is, the political representatives in the European Commission or European Parliament, set instructions for prioritising of road safety measures that are at odds with priorities from cost-benefit analysis; and how are such instructions justified?
- E17. If results from cost-benefit analyses are given limited weight in prioritising; do you think this would change if the results were presented in another manner?
- E18. Do politicians put more weight on the number of fatalities and injuries than on the monetary valuation of these impacts?
- E19. In your opinion, should one, to a larger degree, clarify that results of cost-benefit analyses are uncertain; and would it be useful to quantify this uncertainty?
- E20. If the uncertainty in the results from cost-benefit analyses is presented, do you think this could lead to a disregard of the results from cost-benefit analyses?
- E21. In your opinion, are there types of road safety measures that are less suitable for cost-benefit analysis than other measures; and, in that case, why?
- E22. Some politicians claim they would be superfluous if policy is based on results from cost-benefit analyses. Do you share this view?
- E23a. If the implementation of road safety measures were strictly based on results of cost-benefit analyses, do you think this would imply an increased, decreased, or unchanged number of expected injuries and fatalities on roads?
- E23b. Could you please shortly explain your answer, and state how sure you are about your answer?
- E24a. Imagine a cost-benefit analysis of a road investment. It includes € values of both reduced time loss for business, reduced time loss for leisure, reduced noise, in addition to reduced risk of accidents. Do you think the € values for these different impacts should be weighted differently or do you think a € for one impact should count equally as a € for another impact?
- E24b. Could you please shortly explain your answer, and state how sure you are about your answer?
- E25a. Imagine another cost-benefit analysis of a road investment, in a non-central region, involving the same values of reduced time loss for business, reduced time loss for leisure, reduced noise, and reduced risk of accidents. Do you think the economic analysis should skip noise and accident risk, and present these as non-economic benefits of noise-suppression and saved lives; and instead include in the cost-benefit analysis regional impacts beyond reduced time loss for business, for example employment and other spill-over effects?
- E25b. Could you please shortly explain your answer, and state how sure you are about your answer?

E26. Finally, what is your profession?

E27. And, what is your educational degree?

E28. Do you have any further comments on the questions or related issues?

FOR THE INTERVIEWER TO REGISTER:

Affiliation (which European organisation): _____

Position (level in hierarchy): _____



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