

Comparing German, Danish and Dutch institutional structures for investing in transport infrastructure

**Devising an ideal institutional model by
consulting experts**

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Background of this study

- How are appraisal methods used in large scale transport infrastructure projects?
- How do economic and environmental aspects come into play in the actual decision making process?
- How do the institutional structures and decision practices compare among countries?
- What can one learn from the experiences of others?
- How do experts rate the domestic institutional models as compared to other ones?
- What do experts and involved parties say about institutional options from other countries?

Findings in Netherlands, Denmark and Germany

- Denmark has loose structure with ad-hoc appraisal process (pragmatism)
- Denmark manages to complete PPPs through adjusted funding structure
- Germany has more thorough (or rigid) process-guidance and appraisal methods have stable place
- Germany has stable place for pressure group and position of local authorities is strong (co-production)
- Netherlands has advisory role for assessment and a structure that should be applied 'flexibly'
- Netherlands has centralised financial relations and an advisory, non-decisive role for pressure groups

Setting up fictitious, but conceivable institutional structures (1)

- Countries know three possible scores on four possible institutional characteristics:

Role CBA:	Informative/Advisory/Decisive
Role EIA:	Informative/Advisory/Decisive
Pressure groups:	Ad hoc/Advisory/Recognised
Funder(s):	Nat.Gvt/Nat.+Loc.Gvt/Nat.+Loc.Gvt + Private Sector

- 81 Conceivable Institutional Structures
- Country Scores are as follows:

Real institutional structures in the three countries

	Germany	Netherlands	Denmark
Role CBA	Decisive	Advisory	Informative
Role EIA	Decisive	Advisory	Informative
Role pressure groups	Recognised and committed	Advisory and non-committed	Ad hoc
Funders	National Government	Nat. + Local Government	Nat.+Loc Gvt+ private sector

Implementation profile research

- 9+3 profiles submitted to 45 Dutch experts
 - Quality judgement for each profile
1. Speed of decision making
 2. Total project costs
 3. Acceptance of decisions made
 4. Openness of information-exchange
 5. Quality of final infrastructure product
 6. General mark for profile as a whole

Implementation profile research (2)

- 45 respondents divided over 5 subgroups
- Quantitative and qualitative results

Dominant impressions during survey:

- Not easy, start-up phase, growing grip on the issue, increasing enthusiasm, side-remarks, interest in final results
- Data interpretation still in progress

Judgement of Dutch experts (1)

- Dutch model gets average of 6.06, German model of 5.71, Danish model of 5.54
- Ideal model: advisory CBA and EIA, funding by several parties together and pressure groups recognised and committed
- Just national and local government as funders also appreciated
- Advisory pressure groups also appreciated
- Decisive appraisal methods receive allergical reaction
- Role of pressure groups has especially high impact on quality issues, especially final mark

Judgement of Dutch experts (2)

- Ideal model (average score 8): 1- CBA advisory, 2- EIA advisory,
3- Funding by all parties, 4- Pressure groups recognised and committed
- Nightmare model (average score 4): 1- CBA decisive, 2- EIA decisive,
3- Funding by just national government, 4- Pressure groups consulted on just ad hoc basis
- Remarkable differences between subgroups:
 - 1- academics want funding by all parties, other just national and local government
 - 2- consultants strongly opposed to polder model, others mostly in favour

Judgement of Dutch experts (3)

Speed:

- Decisive EIA negative impact on speed
- Ad hoc consultation of actors positive impact on speed; academics disagree
- Polder model (recognised and committed pressure groups) has negative impact on speed, but is still popular

Acceptance

- Advisory CBA and EIA are positive
- Funding by national and local government together is positive, but adding private sector score is neutral
- Recognised and committed partners have a very positive effect

Judgement of Dutch experts (4)

Costs:

- Decisive CBA positive, decisive EIA very negative
- Recognised partners have a very negative effect
- Costs are completely UNrelated to overall mark!

Openness:

- Advisory CBA and EIA are beneficial
- National gvt as sole funder is minus for open communication
- Recognised partners very beneficial for openness

Quality of final infrastructure product

- Advisory CBA and EIA positive impact
- National and local gvt together have positive impact
- Recognised partners have positive impact

Issues that remain on the table

1. Dutch experts generally appreciate the Dutch model, but what is the role of culture here?
2. Changes are required with regard to the financial relations, but these are not easy to realise
3. More structural and structured involvement of local/regional government and pressure groups (‘partners’) are also desirable. Consultants disagree, however
4. Current status CBA and EIA are satisfactory
5. Proposed changes decrease speed, but lead to higher acceptance and infrastructure quality.
6. Money does not matter apparently.