



# Best Practice in Policy Package Design

## Preliminary results

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## Overview

- Goals of analysis
- Best practice vs. good practice
- Methodology for analysis of policy packages
- Selection of policy packages
- Preliminary results of analysis
- Outlook





## Partners



**Institute of Transport  
Economics, Norway**



**AustriaTech  
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**Transport Research Centre,  
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**Department of Transport,  
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**Institute for Technology  
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**Royal Institute of  
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## Goals

- Identification of best practice in policy package design
- Define methodology to analyse policy packages
- Identify examples of national and EU policy packages
- Analyse policy packages based on methodology
- Identify common factors
- Give inputs for following workpackages (barrier identification and recommendation of policy package design)





## Best practice vs. good practice

- For identification of best practice exhaustive analysis would be necessary
- In our approach we do not restrict ourselves to a certain kind of policy package
- Learning from good examples in policy packaging
- Assumption that successful policy packages have some common factors



## Basis for analysis

- ‘ideal’ policy package design process was set up in previously in OPTIC
- Guideline for methodology for analysis of selected policy packages





## Analysis of policy packages

- Policy design process is main issue

but

- Results must be considered as well
- Interpretation of results often depends on point of view
- Effect of policy on other policy areas has to be considered as well





## Requirements for analysis

- Good documentation of policy design process
- Clearly identified policy goals
- Independent evaluation of results of policy package

but

- Documentation often limited and has tendency to diminish over time
- Clearly defined goals often not stated
- Independent evaluation often not foreseen in policy package







## Other aspects of analysis

- Quantitative evaluation often not possible either because only qualitative goals are given in policy or
- Because data is not available
- Source of information must be reliable and independent
- Each policy package is very different – but systematic analysis is required in order to allow general conclusions





## Systematic approach for analysis

- Builds on concept for ‘ideal’ process of policy packaging developed earlier in the project.
- Analysis is carried out on different dimension, trying to examine the policy packages from different points of view





## Analysis of Policy Packages

- Overview – General Description
- Dimension 1 – Objectives and goals
- Dimension 2 – Primary measures and causal assumptions
- Dimension 3 – Inter-measure interaction
- Dimension 4 – Policy design process, technical and financial considerations
- Dimension 5 – Barriers and unintended effects
- Overall conclusions





## D1: Objectives and Goals

- What are the **objectives** of the policy package? Are they clearly stated in the policy package
- What are the **goals** of the policy package and have they been clearly operationalised (magnitude, time dimension, actors involved)?
- Is it foreseen in the policy package the goals or measures will be **reviewed** and, if found necessary, adapted?





## D1: Objectives and Goals

- Have policy objectives and goals of **other policy domains** been acknowledged in the policy package?
- Do the policy objectives and goals of the policy package **contribute** to the fulfilment of these policy goals and targets and, if so, was the expected extent of this contribution stated?





## D2: Primary measures and causal assumptions

- Has a broad and **diverse range** of potential measures been examined before deciding upon the selected primary measure? Measures which have been examined?
- **Which** primary measure(s) to influence our target(s) have been selected?
- Were the **reasons** for selecting this primary measure made clear?
- Have the **tacit assumptions** about the causal processes underpinning this decision been codified?





## D3: Inter-measure interaction

- Have the **interactions** between all primary and additional measures been described?
- Have **pre-conditional**, facilitatory and synergetic measures been introduced or supported?
- Has the presence of **redundant** and contradictory measures been minimised?
- Have **distributional effects** of the intervention been thoroughly analysed?
- Have **financial and technical** implications of the intervention been thoroughly analysed?





## D4: Policy design process, technical and financial considerations

- Did the design of the policy package follow a **process** that was known beforehand?
- If this was not the case, can, in retrospect, the steps for designing the policy packages be identified
- Which **stakeholders** were involved in the design of the policy package?
- How were the stakeholders involved in the design of the policy package?
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- Were **acceptance problems** by the stakeholders encountered?
- Were **quantitative assessments** (modelling) tools used?







## D4: Policy design process, technical and financial considerations

- Were the **costs** of the policy package correctly anticipated (in financial terms)?
- If the costs were not correctly anticipated, how was this problem addressed?
- If applicable, were **revenues** correctly anticipated?
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- If the revenues were not correctly anticipated, how was this problem addressed?
- Did the implementation of the policy package meet with any **technical difficulties** not anticipated beforehand?





## D5: Barriers and unintended effects

- During the introduction of the policy packages were any **barriers** encountered?
- Was the package flexible enough to react to them and, if so, how was this carried out?
- Were **unintended effects** encountered and if yes what were they?
- Was the package flexible enough to react to them and, if so, how was this carried out?





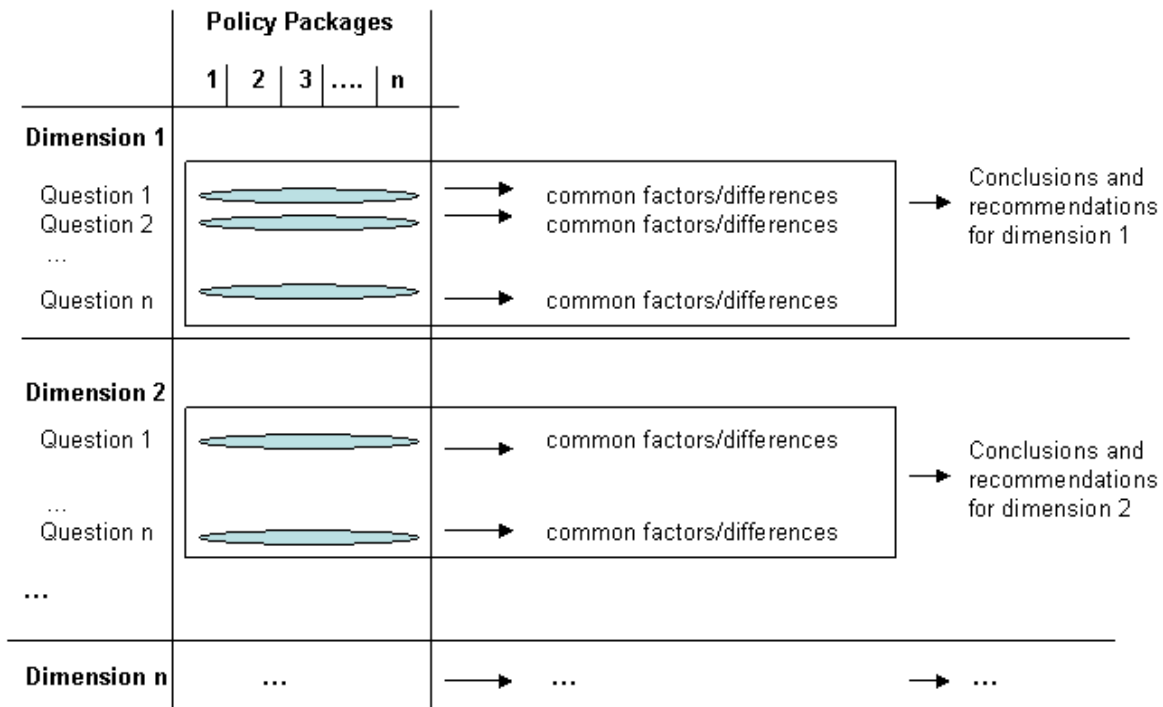
## Overall conclusions


- Was the policy design process applied in for this policy package **effective and efficient** for arriving at the final policy package?
- Was the policy package **effective and efficient** in reaching the addressed policy goals and targets?
- Can thus this policy package be considered **best practice** in view of package design and of target achievement and why?
- Which **conclusions** can be drawn for policy package design in general from the presented example?





## Analysis of Policy Packages



 Identification of common factors/differences to a question for all policy packages



## Selection of Policy Packages

- Over 60 national and EU policy packages were considered for analysis
- Analysis very much depends on availability of data and some insight in the policy making process.





## Selection of Policy Packages

- 4 national and 4 EU policy packages were selected for analysis
- 3 national policy packages are related to payments
- 2 EU action plans
- 2 EU directives





## List of selected Policy Packages- National

- London congestion charging, UK
- Stockholm congestion tax, Sweden
- Distance-related Heavy Vehicle Fee (HVF), Switzerland
- Government Transport and Environment Scheme, Denmark





## List of selected Policy Packages - EU

- Directive on Interoperability of conventional and high-speed railways, EU
- Action plan for the deployment of Intelligent Transport Systems in Europe, EU
- Action plan on Urban Mobility, EU
- Directive on the promotion of clean and energy-efficient road transport, EU







## Introduction of Policy Packages

- 1992 Government Transport and Environment Scheme (DK)
- 1996 Directive on Rail Interoperability
- 2001 Distance-related Heavy Vehicle Fee (HVF) - CH
- 2003 London Congestion Charging
- 2005 Stockholm congestion tax
- 2008 Action Plan on ITS
- 2009 Action Plan on urban mobility
- 2009 Directive on Clean Vehicles





## First results of Comparison of Policy packages which were considered best practice by analyst

- Summary for each dimension





## D1: Objectives and Goals

- National policy packets more precise in objectives and goals than EU policy packages
- EU regulations can be important starting points for national legislation
- Quantitative goals sometimes not given or, if given, often without means of verification
- All have overall objectives which show the motivation of introducing policy package
- Possibility to review and adapt the goals or measures if found necessary is foreseen in almost all of analysed policy packages





## D2: Primary measures and causal assumptions

- Normally a long discussion process precedes creation of policy package where different approaches to achieve stated targets are examined
- Primary measures can normally be identified
- Selection of primary measures normally made clear in decision process
- Primary measures normally well described
- Causal assumptions about their impact normally considered although not always explicitly stated





## D3: Inter-measure interaction

- Inter-measure interactions are normally not explicitly considered in policy package design process
- This shows no certain pattern and has no real influence on the decision of the analyst to consider something best practice.





## **D4: Policy design process, technical and financial considerations**

- Steps of policy design process are normally clear although do not always follow formalised procedure
- If applicable, technical implications have been considered in depth
- Use of tried technology speeds up introduction
- New, untried technology often leads to delays and does not always meet expectations





## D4: Policy design process, technical and financial considerations

- Costs of introduction normally in line in selected examples – easier when tried technology has been used
- Revenues also normally as expected, although they may vary depending on factors not under control (e.g. economic development)
- Normally broad impact assessment or at least scenarios development or simulations are conducted.





## D5: Barriers and unintended effects

- Few barriers were encountered
- Barriers were in some cases overcome by public votes
- Selected cases normally met with large acceptance
- In some cases this acceptance got less over time
- Unintended effects are limited







## Overall Conclusions

- Most selected examples were considered to be good examples for policy making
- In some cases the process might have been conducted more efficiently but time given for decision making process was considered to be very valuable
- Processes were in most cases considered to effective in designing policy package
- Some are still too recent to allow conclusions as to efficiency and effectiveness in achieving the policy goals
- In some cases targets were too optimistic
- Initial target achievement did not always have long-term effect



## Summary

- Policy packages usually take years to create
- Right timing is essential – ‘window of opportunity’
- Involvement of stakeholders at an early stage is important
- Sound scientific basis for policy package must be created
- If taxes are collected, basis for calculation must be made clear



## Summary

- If revenues are generated, clear communication of how the money is spent increases acceptance
- Conduct broad impact assessment or at least scenarios development or simulations
- Unrealistic goals must be avoided
- Allow enough time for communication of goals
- A person or group must stand behind policy package – change of people involved may endanger project
- Role of EU very important for laying ground rules for national project in order to achieve consistency and compatibility



## Discussion Points

- Additional success factors for design of policy packages?
- Most important aspects for creation of a successful policy package?



## Discussion Points

- What are the limits to the complexity of a policy package?
- What are the limits to stakeholder involvement?
- Top-down vs bottom-up or both?



## Discussion Points

- Role of EU in supporting design of policy packages on national level?
  - Providing framework
  - Setting up guidelines
  - More direct involvement
  - ...

