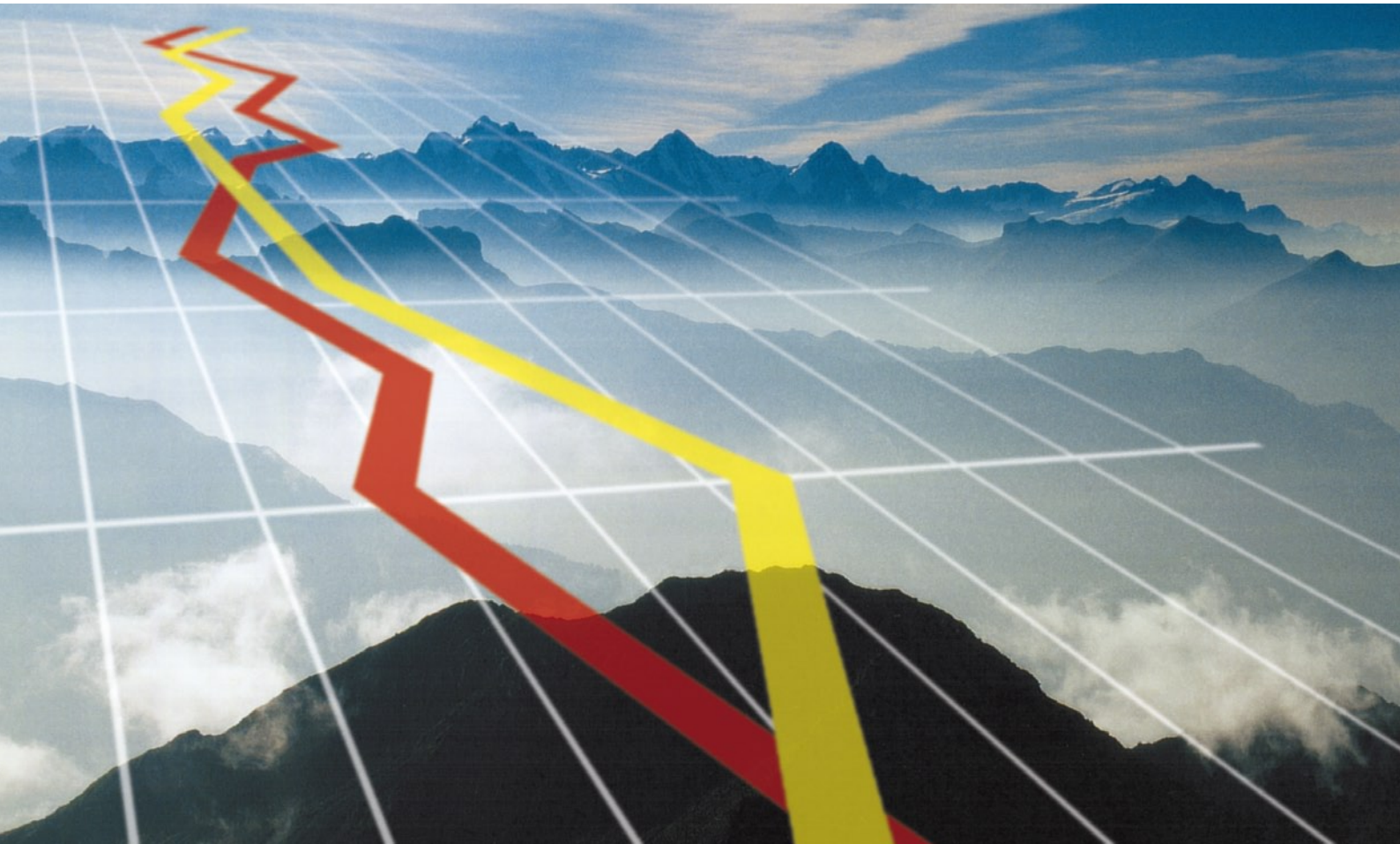
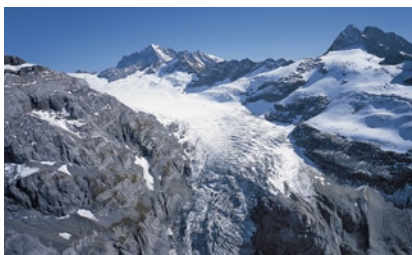


fact sheet

Alpine Crossing Exchange



The Alps are a valuable living space and highly sensitive ecological habitat. **Too many trucks endanger its population's safety and health, as well as the area's ecological balance. The Alps must be better protected from the harmful consequences of heavy goods traffic. A market-economy solution for this does exist: the Alpine Crossing Exchange (ACE).**



Alpine Crossing Exchange: Cap, allocate, trade. The Alpine Crossing Exchange wants to transfer transalpine freight traffic from road to rail by issuing transit rights for truck trips. The transit rights issued can be traded on the market. As with other limited goods, demand fixes the price.

How does the Alpine Crossing Exchange work?

1. Cap: A political decision limits the number of transalpine truck crossings to an environmentally acceptable level. The upper limit can be reduced progressively from today's figure to the desired level. All trucks with a gross vehicle weight rating of more than 3.5 tonnes need a transit right if they want to cross the Alps.

2. Allocate. The Alpine transit rights will either be allocated as a free bonus to freight companies who voluntarily use rail (1 transit unit for the road for every X units by rail), or sold to the highest bidders.

3. Trade. Alpine transit rights can either be used by their owners or be freely traded. An information system supplies reference prices for rail transport.

Politics defines the framework, and the market takes care of the rest.

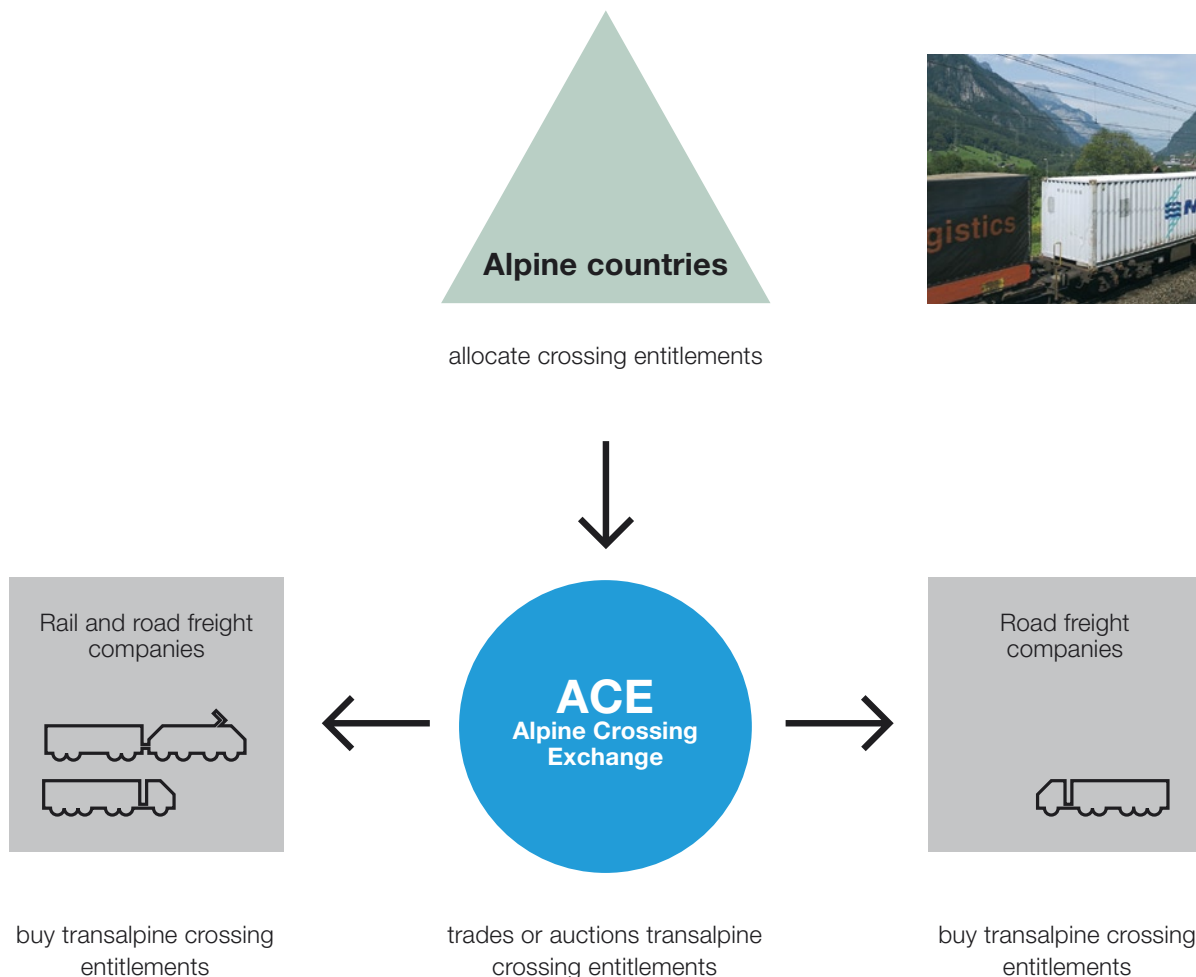
Political authorities determine the number of permitted transalpine truck crossings, taking account of not only political guidelines (transfer from road to rail), but also environmental, health and safety issues. The rest is taken care of by the market. Prices are fixed by demand.

Advantages for industry. The Alpine Crossing Exchange is advantageous for industry. Haulers can plan their shipments in the long term. Putting a cap on the number of crossings prevents too great a strain being put on the transport system, and congestion due to trucks will disappear. Because if no transit right exists, no crossing will be made. Road operators save themselves the costs of building and maintaining large-scale waiting areas. The system creates a clear decision basis for choosing between different modes of transport. Freight companies will try to avoid empty and unnecessary trips.

The Alpine Crossing Exchange system will result in a price for transit rights that brings the total cost of road transport in line with the costs of competing rail services. This will balance out the current price advantage enjoyed by roads. At the same time, costs for pointless waiting times in traffic jams are reduced, as are the uncertainties surrounding shipment times for road freight.

«For an economist, it is self-evident to treat a rare commodity – in this case the quality of the environment in the Alpine valleys affected or the «acceptable» number of transit trips – as such. The state must create a market for the use of this limited resource, in which the rights of disposal can be traded.»

Prof. Wilfried Puwein, Austrian Institute of Economic Research (WIFO), Vienna



Rail can use its strengths. Competition between the different rail companies prevents an arbitrarily high price for rail usage. Because the number of transit rights is known and their price can be estimated, there is a strong incentive for industry to implement long-term logistical replanning. Rail no longer needs to be a short-term overflow valve by transporting trucks on trains, but can show off its true strengths in combined and wagonload transport to its full advantage. An information system draws attention to rail alternatives and allows direct bookings to be made.

A solution for the whole of the Alps. The Alpine Crossing Exchange system can be applied to the whole Alpine area. This also is desirable, because it deters traffic from making detours. The ACE can easily be combined with the Swiss kilometre-based tax on heavy goods vehicles, the Austrian toll and the tunnel charges for the French-Italian Alpine tunnels. If transit entitlements are not auctioned but instead allocated free to rail users, no additional public charges will be created, and the gains remain within the industry.

An EU-compatible solution. Just like Switzerland, the EU needs transport to make its market work. Serious accidents in the Alpine tunnels, rock falls and floods, which entailed month-long closures of Alpine crossings, have damaged the economy and made the Alpine countries change their views and show their solidarity.

The Alpine Crossing Exchange is a market economy instrument. It allows free choice of transport modes and is non-discriminatory: «With the Alpine Crossing Exchange, the given objective for the transfer of transalpine goods traffic to rail can be delivered reliably, efficiently and in due time.»

Federal Office for Spatial Development,
Final Report on the Alpine Crossing Exchange
«Schlussbericht Alpentransitbörse:
Untersuchung der Praxistauglichkeit», 2007



In the declaration of Zurich on 30 November 2001, the transport ministers of the Alpine countries effectively approved a limit to the number of trucks by means of one-way traffic, speed limits and minimum distances between vehicles. They understood that, without a clear limit to the number of trips, transalpine road routes could one day collapse completely. Either because of another disaster or because of the resistance of the local population. The Alpine Convention, which was ratified by the EU back in 1996, supports market-compatible approaches for traffic control, as long as they are non-discriminatory. In 2001, a study by the European Environmental Agency (EEA) recognised the particular sensitivity of the Alps and demanded more extensive measures to protect them and to manage transport demand.

In the 2006 mid-term review of the EU Transport White Paper, the EU Commission writes: «Fees may be modulated to take environmental impact or congestion risks into account, in particular in environmentally sensitive and urban areas. In such areas, other forms of capacity allocation could be used such as market exchanges of transit rights.»

The free choice of transport modes, a ban on quotas and non-discrimination are the credo of European transport policy. This is taken into account by the Alpine Crossing Exchange, a market-economy instrument. It does not leave setting the transport policy goal to market forces. These only take care of the regulation of road transport prices, necessary for achieving this goal. De facto, such a limitation of numbers already exists for safety reasons. But rather than leaving the job to unpredictable traffic jams, an intelligent system of tradable transit rights directly manages the number of trucks in a non-discriminatory way. At the same time, the environmental goal is achieved with the least possible economic costs. This has been confirmed by two Swiss studies from 2004 and 2007, which confirm that the Alpine Crossing Exchange is technologically and operationally feasible and practicable.

Further information:

www.alpine-crossing-exchange.org

«The Alpine Crossing Exchange is a practical solution tailored to the economic constraints in the transport sector. It promotes the transfer of freight traffic from road to rail in order to combat air pollution in sensitive mountain areas.»

Michel Dubromel, France Nature Environnement FNE,
Member of the Board of Directors of SNCF, the French
national railway company

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Winner of the Watt d'Or 2007 (Award for the best energy projects under the patronage of the Swiss Federal Office of Energy)

Photos: Kurt Baumann (Hüfigletscher Tödi, Göschenentalp), Sammlung Gesellschaft für ökologische Forschung, Munich (Brenner Pass Autobahn), SBB (freight trains)

