Congestion charge in Stockholm

The background
In the first half of 2006, Stockholm carried out a costly test of a congestion pricing system.

To everybody's surprise it worked and people accepted it.

But how did it happen?
Sweden and Stockholm
Stockholm - population development

![Population Development Chart](chart.png)

- Year: 1500, 1600, 1700, 1800, 1900, 2000
- Population (1000): 0, 500, 1000, 1500, 2000

Legend:
- County
- City

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Stockholm-spatial development

Stockholmsregionens bebyggelseutveckling under 1900-talet.

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The Stockholm ring road – planned in the 1950:s

- Essingeleden
  - Completed 1966
- South Link
  - Completed 2004
- North Link
  - Discontinued
- East Link
  - Discontinued
In 1990 Government appointed mediators to develop transport infrastructure in the three major regions.

- Stockholm: Dennis
- Gothenburg: Adelsson
- Malmö: Hulterström
Government instructions to Dennis 1990:

"Negotiate with politicians and other actors to reach agreement on a transport infrastructure package to be financed with government help":

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Actors

- National level
  - Government
  - Political parties
  - Administration (road, rail)
  - Industry, consultants
  - Institutes, universities

- Local level
  - Stockholm County
  - Stockholm City
  - Municipalities
  - Political parties
  - Pressure groups, experts
Trafikpolitik i Singapore

Hans Örn
The Dennis conditions for an agreement

- Two major road projects – ring road and circumferential
- Major investments in public transport
- Road charges in some form to pay for new roads
Tricky negotiations

- Social Democrats opposed the East Link
- Liberals opposed the West link
- Conservatives were against road charges
- Other parties stayed outside the agreement
The Dennis agreement Sep 1992

- Ring road
- Circumferential
- Light rail
- Upgrading subway
- Railways
- Inner city traffic improvement
- Road charges
- 7 billion US$ (1992)
Most debated infrastructure project ever

- **The road projects**
  - “More roads not a solution”
  - “Expensive, not equitable”

- **The process itself**
  - “Not democratic enough”
  - “Ring road lobby”
  - Final text not negotiable

- **The environment**
  - Green areas threatened
  - No proper evaluation

- **The road charges**
  - New roads to be financed by charges…
  - … sends wrong signal - should relieve inner city
  - Experts and debaters increasingly critical
The road charge confusion

- A tax or a fee (socialism or capitalism)?
- Finance new roads to promote economic growth?
- General reduction of car use to protect the environment?
- Area based or road section based?

Few people see it as a tool for congestion control on specific roads.

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Burial of the Dennis package

- Social Democrats back in power in 1994 – discussions drag on
- More and more politically difficult debate on the local level – and new election coming up in 1998!
- Major headache - the increasingly unpopular road charge
- Agreement abandoned in February 1997
Swedish politics:
Periods with Social Democrats not in power

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1976-1982
1991-1994
2006-
Swedish politics: Changes in the political landscape
2002 election – Social Democrats need support from Left and Green
2002 election – time has come for the Greens!

- The Greens hold the balance of power
- Social Democrats negotiate to secure support during mandate period
- The Greens now have their chance to promote their issues
- They want road charges not for financing new roads but for reducing private car traffic
The Green-Red agreement

- Full scale test of congestion charges to be conducted in Stockholm
- Referendum to be held after the trial in connection with the general election in September 2006
- The Stockholm Social Democrats had promised no road charges in the election campaign — hard to swallow for them — …
- …but government power most important
Preparing for the test

■ The Stockholm Municipal Council on 2 June 2003 adopted a majority proposal to introduce congestion charges on a trial basis.

■ The Swedish parliament adopted The Law of congestion tax on 16 June 2004

■ IBM was awarded the procurement contract for the system on 9 July 2004
Implementation

- Improved public transport in Aug 2005
- New park-and-ride sites Autumn 2005
- Congestion charging 3 Jan-31 July 2006
- Referendum 17 Sept 2006
18 control points
A charge is made when entering/exiting the centre of Stockholm
Goals essentially reached

■ 10 - 15 % less traffic to/from inner city
  ■ Was 20-25%

■ Increased accessibility
  ■ Queue times down 30-50% in/near the inner city

■ Decreased emissions
  ■ 10-14% less in inner city; 2-3% in total county
“Is the Stockholm trial a good idea”?
The result of the referendum

- City of Stockholm: Yes 50%, No 50%
- County of Stockholm: Yes 0%, No 100%
- Together: Yes 50%, No 50%
What happens now?

- New government appointed a negotiator for infrastructure in the Stockholm region
- Decision to continue congestion tax to restart at latest 1th July 2007
- Revenues to roads, not public transport

Carl Cederschiöld
Former mayor City of Stockholm
Conclusions

- Possible because of growing environmental concern and a political window of opportunity
- Focus on reduce traffic, not make it flow better
- It worked surprisingly well
- Everybody underestimated people's acceptance
Future of congestion charges in Sweden?

- Here to stay?
  - Development from area pricing to true congestion pricing
  - Concept accepted as a fact of life
  - Spreads to Gothenburg and Malmö

- Just a parenthesis?
  - Kept as long as it takes to complete ring road
  - Not developed into a monitoring tool
  - Born and dead in Stockholm

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