



---

## Summary

Date: 2023-12-05

Reference number: 2022/1155

RiR 2023:25

# National plan for transport infrastructure

## – promises more than it delivers

### Summary

The national plan describes how transport infrastructure is to be maintained and developed over a twelve-year period. The latest national plan was adopted in 2022 and amounted to SEK 799 billion, SEK 297 billion of which was earmarked for major investments in transport infrastructure during 2022–2033. The Swedish National Audit Office (Swedish NAO) has audited whether the major investments in the national plan for transport infrastructure contribute effectively to achieving the transport policy goals. The Swedish NAO's conclusion is that the investments contribute to achieving the goals, but not effectively. There are also deficiencies in how the renewal of the plan was performed, which reduces the effectiveness of the national plan.

### **Long-term planning is compromised by cost increases**

The purpose of having a national plan is to provide long-term conditions for infrastructure investments, which require very long planning horizons to be implemented. The financial framework decided by the Riksdag following proposals in the infrastructure bill sets the dimensions for how much new infrastructure the Swedish Transport Administration needs to plan for in the coming twelve years. However, such planning is rapidly compromised by substantial cost increases in the Swedish Transport Administration's operations. As long as the Swedish Transport Administration's cost control remains weak, all long-term infrastructure planning will be associated with great uncertainty.

## **Neither the Swedish Transport Administration nor the Government propose the investments that are considered to contribute the most to achieving the transport policy goals**

Economic efficiency is a core element of the transport policy goals and, in accordance with the Government's management, the Swedish Transport Administration must propose the investments that are deemed to be most effective in achieving the transport policy goals. Nevertheless, the Swedish NAO finds that, for the national plan for 2022–2033, there is no connection between the estimated cost-benefit ratio, and the selected investments. This applies both to the Swedish Transport Administration's proposals for the national plan, and the Government's approval of the plan.

In other words, work on the national plan from 2022 excluded a number of investments that would have been highly efficient, which could have contributed much more to achieving the transport policy goals than the investments that were chosen. In particular, more efficient investments could have led to better and faster transport opportunities for many more citizens and increased traffic safety compared with the chosen investments. The conclusion of the Swedish NAO is therefore that the national plan from 2022 does not contribute *effectively* to achieving the transport policy goals.

## **The new ERTMS signal system will be delayed and more expensive due to the Government's decision**

Despite sternly worded warnings from the Swedish Transport Administration stating that delays of the new European Rail Traffic Management System (ERTMS) signal system poses a systemic threat to the railway system, the Government chose to reduce the financial allocation to ERTMS. According to the Swedish Transport Administration, the Government's decision means that ERTMS is not expected to be fully implemented until the 2070s. The Government's decision will also make implementation more expensive, as it will not be possible to replace the old signal facility as it reaches the end of its technical lifespan, leading to unnecessary and costly intermediate solutions.

## **The Swedish Transport Administration was hamstrung by the Government's management**

The Swedish Transport Administration's opportunities to devise an effective plan proposal for the 2022–2033 period were limited by the Government's management. In its commission to the Swedish Transport Administration to draw up a plan proposal, the Government specified that the then current plan from 2018 was to be completed as planned, which prevented the Swedish Transport

Administration from proposing the elimination of any planned investments from that plan. Therefore, the Swedish Transport Administration could not even reconsider investments in which, for example, the costs had increased or the benefit had decreased significantly compared with the previous plan decision in 2018.

In its commission to the Swedish Transport Administration, the Government also specified certain specific investments that were to be included in the Swedish Transport Administration's proposal. The Swedish NAO notes that the Government did not have any basis for these investments when the latter decided on this management. Later, the costs of the investments were found to exceed the available economic framework for the period of the plan.

Finally, the Swedish NAO notes that, in its decision to approve the national plan, the Government excluded all of the very few investments that the Swedish Transport Administration was able to propose on its own initiative. The national plan for 2022–2033 was thus, to a very large extent, devised by the Government.

## **Lack of transparency in the long-term plan of investments**

The assessment of the Swedish NAO is that there is a lack of transparency in certain parts of the development of the national plan by the Swedish Transport Administration and the Government. For example, the Government's decision to approve the national plan does not specify which investments have been discontinued in relation to the previous plan or eliminated in relation to the Swedish Transport Administration's proposals. It is also a matter of traceability over time being hampered because the Swedish Transport Administration renames and redefines investments without informing about it, and neither the Government nor the Swedish Transport Administration uses the existing tracing numbers for the investments in their decisions. Since planning and construction of the investments can last for decades and be reported in different places, there is reason to simplify traceability.

## **Recommendations**

The Swedish NAO makes the following recommendations to the Government

- Clarify how the Government's approval of the national plan deviates from the Swedish Transport Administration's proposals and the previous plan, and justify all changes that lead to the addition or removal of investments.
- Discontinue, to a greater extent, named investments in the approval decision when conditions for implementation have deteriorated. This refers to investments where construction has not begun.

- Give the Swedish Transport Administration greater scope to design its plan proposal. The Government's management of which named investments are to be included in the national plan should primarily be exercised in the decision to adopt the plan, not in the commission to the Swedish Transport Administration to produce a plan proposal.
- Make the role of the Swedish Agency for Transport Policy Analysis as a quality controller of the Swedish Transport Administration's plan proposal a mandatory step in the plan renewal process by, for instance, regulating this in the instructions to the Swedish Agency for Transport Policy Analysis. The Government should consider the views of the Swedish Agency for Transport Policy Analysis to a greater extent. In addition to the type of quality control performed previously by the Swedish Agency for Transport Policy Analysis, a risk-based selection of named investments should also be inspected.

### The Swedish NAO makes the following recommendations to the Swedish Transport Administration

- In the proposal for a national plan, give priority to investments that have a high cost-benefit ratio.
- Clearly justify the priorities made in the proposal for the national plan. This applies in particular to proposals for new investments, existing investments in which the conditions for implementation have deteriorated, as well as investments with a low cost-benefit ratio.
- In the proposal for a national plan and in the collective impact assessments, report how costs and benefits for each named investments have changed since the previous plan decision.
- Specify the tracing number of each investment in the proposal for the national plan to facilitate tracking.
- Clarify the stages of the planning process by specifying the planning stage (planning, preparation for start-of-construction decision and start-of-construction decision) and planned start-of-construction year in two separate columns in Annex 1. This is because the current combined notation is frequently misunderstood. Moreover, construction can begin earlier or later than indicated by the current notation.

In a previous audit in 2021, the Swedish NAO made recommendations on the Swedish Transport Administration's cost control. Therefore, no new recommendations are made in this area.