

Infrastructure fund for agglomeration traffic, the national motorway network and main roads in mountain and peripheral regions

What the fund is for

Starting in 2008, the infrastructure fund for agglomeration traffic, the national motorway network and main roads in mountain and peripheral regions will provide 20.8 billion Swiss francs over 20 years for the following four areas:

- Completing the national motorway network: 8.5 billion francs
- Eliminating congestion hotspots in the existing motorway network: 5.5 billion francs
- Infrastructures for public and private transport in the agglomerations: 6 billion francs, of which 2.56 billion will be devoted to urgent projects and 3.44 billion to agglomeration programmes
- Maintaining the fabric of main roads in mountain and peripheral regions: 0.8 billion francs

Where the money comes from

The fund's resources are drawn from tied revenues from the oil tax and the "vignette" badge that vehicles must display in their windscreens in order to use the Swiss motorway network. There will be an initial deposit of 2.6 billion francs when the fund becomes operational, with parliament then determining the tranches that will be paid in each subsequent year. Under the current budget, the figure will be around 0.91 billion francs annually. In parallel with the fund's launch, the Swiss parliament also approved a corresponding loan facility of 20.8 billion francs over the full 20-year period.

Where the money goes

The loan will be broken down into periods, each of which will be released by the Federal Assembly at the appropriate time:

- Funding for the first period (11.86 billion francs) will be released when the fund becomes operational. This money will be used for the rapid completion of the national motorway network, for urgent, construction-ready agglomeration transport projects, and for main roads in mountain and peripheral regions. The remainder of the funding will be frozen for this initial period.
- No later than two years after the infrastructure fund becomes operational, the Federal Council will submit two programmes to the Federal Assembly: One to ensure a functioning motorway network (i.e. eliminating stretches where traffic

congestion is chronic), and one concerning the co-financing of agglomeration programmes. The Federal Assembly will then release the remaining funds from the loan facility at four-year intervals.

How long the fund will operate

The infrastructure fund has been set up for a defined period. It will end no later than 20 years after it becomes operational. The Federal Council may extend this period for a maximum of five years before the infrastructure fund is finally cancelled.