

# Automotive Congestion Charge

## *How would introducing a congestion tax impact Luxembourg?*

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### Abstract

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## Contents

<b>1</b>	<b>Introduction</b>	<b>2</b>
<b>2</b>	<b>Main Body</b>	<b>2</b>
2.1	The transportation sector in Luxembourg as of 2020 . . . . .	3
2.2	Impact of a congestion charge . . . . .	3
<b>3</b>	<b>Conclusion</b>	<b>3</b>
<b>4</b>	<b>References</b>	<b>3</b>
<b>5</b>	<b>RPPF</b>	<b>4</b>

# 1 Introduction

- Reasons for choice
- Introduction to topic
  - Generic facts about Luxembourg's road usage
    - \* Traffic jams
    - \* Accidents
    - \* Pollution
  - What is a congestion tax?
    - \* Introduce the concept of road pricing
  - Generic facts about Luxembourg's road usage
- Hypothesis:
  - Introducing a congestion charge will have an overall positive outcome due to it decreasing automobile use and thus decreasing negative factors such as pollution and time waste through traffic jams
- Plan:
  - Traffic jams
  - Accidents
  - Pollution

# 2 Main Body

- Probe elasticity of automobile usage in Luxembourg
- Explore changes in behaviour as a result of road pricing
  - Impact on traffic jams
  - Impact on accidents
  - Impact on pollution

- Explore impact on individual social classes
- Will a congestion charge increase social inequality?
- Complications and issues to be resolved
  - Will delivery services be exempt from the tax?
  - Compare to other cities
  - Costs vs benefits
  - What methods to use to enable and enforce charges?
  - Political viability and public opinion
  - Impact of the “frontaliers”

## 2.1 The transportation sector in Luxembourg as of 2020

In order to determine how introducing a congestion charge will impact the Luxembourg economy, we first need to understand how the transportation sector currently functions.

## 2.2 Impact of a congestion charge

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## 3 Conclusion

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## 4 References

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## 5 RPPF