



Subject Economic evaluation manual volume 1, first edition

Circulation All registered holders of Land Transport NZ's *Economic evaluation manual - volume 1*

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Purpose

To provide information on the changes incorporated in the release of Land Transport NZ's Economic evaluation manual – volume 1 (the manual).

Background

This new manual replaces the Land Transport NZ *Project evaluation manual* (PEM) and can be used for funding applications made to the 2006/07 National Land Transport Programme. The release of the manual is designed to cover the basic concepts of economic evaluation for transport projects and specific procedures for the evaluation of road infrastructure projects. A hard copy version of the manual is being distributed to all registered holders of the PEM. This manual and the *Economic evaluation manual – volume 2*, provide detailed methodologies for evaluating the economic efficiency of transport proposals.

Key changes in the manual

The key changes to the manual (when compared to the PEM) include:

- restructuring of content
- rationalisation of information requirements to reduce duplication with Land Transport Programmes Online.
- incorporation of new procedures for the evaluation of vehicle emissions
- transfer of the walking and cycling project evaluation procedures from volume 1 to volume 2
- revised accident cost procedures with new and updated accident costs and prediction models, including models for walking and cycling
- incorporation of the accident appendix from volume 2 into the accident procedures of volume 1
- 2006 update factors for benefits and costs

Release of manual

Hard copies of the new manual will be distributed to all registered holders of the PEM.

Additional copies of the manual can be obtained by placing an order with Land Transport NZ using the form on Land Transport NZ's website:

<http://www.landtransport.govt.nz/publications/index.html>

Electronic copies of the manual can now be accessed electronically on Land Transport NZ's website:

<http://www.landtransport.govt.nz/funding/manuals.html>

Software

Updated software will be developed to match the new format of the manual. In the interim, the existing PEM software (Version 4.4.0 corresponding to PEM amendment 9) can be used by utilising the update factors in appendix A13 of the manual.

Your actions

- Please replace your existing copy of the PEM with the new *Economic evaluation manual - volume 1* once you receive it in the post.
- Go to Land Transport NZ's website to access and, if required, print additional copies of the manual or forms included within the manual.

If you have any enquiries about the content of the manual, please direct your correspondence to eem@landtransport.govt.nz

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