

EST Forum Bangkok, Thailand

August 23-25th 2010

Senior Manager Sustainable Development **UITP**





What is UITP? 3000+ members world wide, Brussels and 12 regional offices worldwide





UITP covers **all modes** of PUBLIC TRANSPORT:

- Metro
- Bus
- Light rail
- Regional and suburban railways
- Waterborne

And collective transport in a broader sense:

- Taxis
- Car-sharing







Economic Development





- •70-80% of GDP is generated in urban areas
- Increases in GDP corresponds to increase in demand
- Manage energy use, reduce dependency on fossil fuels and improve balance of payment
- Attract investment and offer a productive labour force
- →No city today is functioning well withOUT public transport

Three traditional principles ...

Public

Private
/informal

An
'uncomfortable
' mix

Little integration across city mass transport system

How to pay for public transport?



- Traditional Funding models for organised public transport
 - > Farebox
 - Compensation for social fares
 - Compensation to ensure service levels and quality
 - Commercial revenues

Historically loss making = Requiring public funds and informal sector appears more attractive



Different Funding and Financing models





- German model mineral oil tax, increased fares (since 1991), cost cutting, cross compensation
- French model versement transport keeps fares artificially low, société mixte
- Private contracts UK, Australia, Scandinavia
 Others

Average farebox recovery – difficult to compare



TRANSPORT OF THE PUTURE

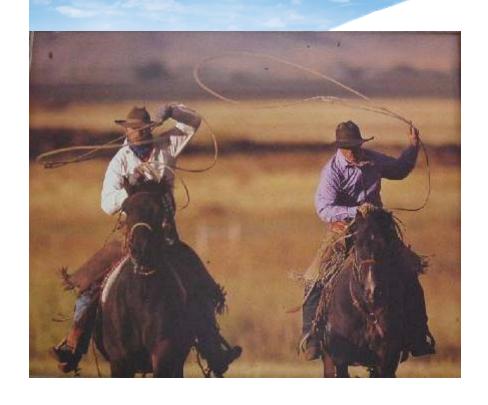
 Varies between 30-50% (typical in France and Italy)

to Germany nearer 77%

 North America average is around 30% but Toronto is over 70%



The BIG question!



Traditional funding and 20c tickets is not going to do it!

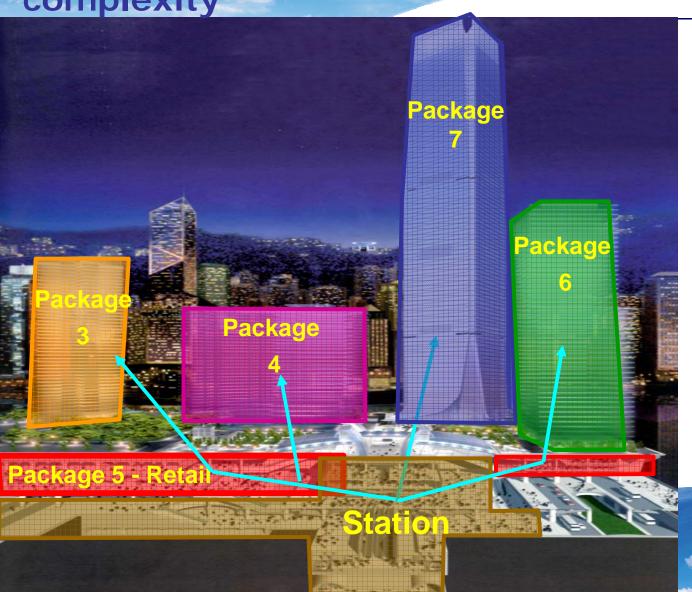
How to capture the wider value and what to value ...



MTR, Hong Kong e.g. Kowloon Station

Development - a mega development of great

complexity



Integration by comprehensive planning

- Horizontal
- Vertical
- **■** Functional

Subdivision into 7 affordable packages and implemented as a coherent whole



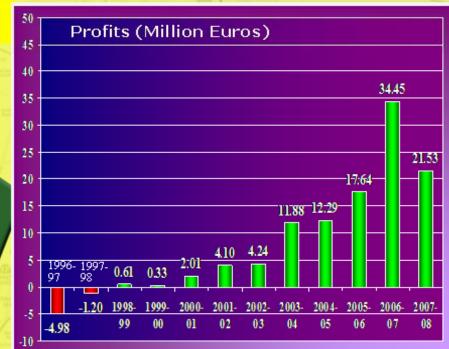
How do places make a profit

BMTC - A Story of Positive Transformation

(From 1998-99 t o 2007-08)

A series of reforms initiated

- Structural reforms
- Strengthening of Infrastructure
- Fleet modernization
- Augmentation of services
- Revenue mobilization measures
- Improvement in Systems and Processes
- Extensive use of IT
- Cost minimization measures
- · Transparency in HR policies
- Outsourcing of activities with PPP







Part could be reform

Professionalism of the sector – Dakar, Senegal



- Low level of service, safety and average of the vehicles was 28 years
- Regrouped into 13 formal entities
- Better quality and reliability of service
- More solid and transparent financial management
- Secured some 2000 jobs
- Increased tax revenues

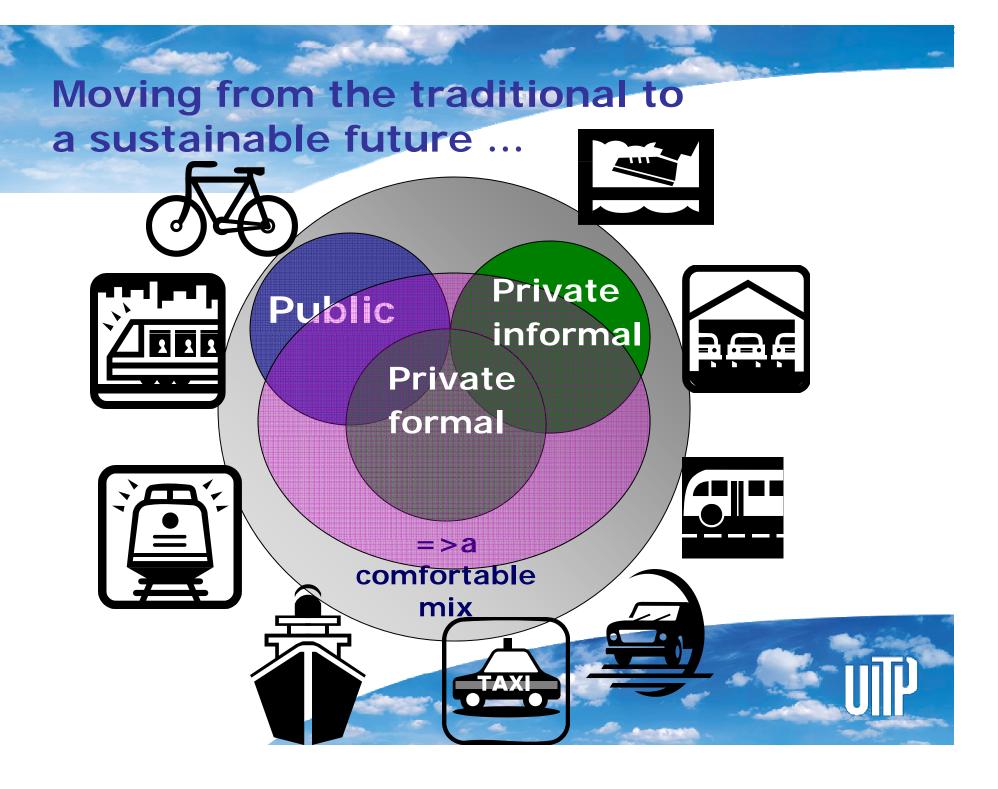
Partly due to creating new local models

Lagos BRT



- Economic cost of 1.2 million€ per km
- 22 kms of BRT operated by regrouped owner operators
- 35% reduction of vehicles for same level of service
- Savings of 30% + travel time
- More affordable 1/3 cheaper than informal ticket for same trip
- Less fuel, less pollution, more efficient





How is the future going to look?



- Connectivity not mobility
- •Cities should be designed on a human scale with choice and liveability as key values
- •Infrastructure will shape people's mobility behaviour (decisions today will last for the next 30 yrs)
- Sub dy => NEW WORDING Compensation? To fill the gap ...





Maybe see you in Dubai!

www.uitp.org

Thank you!

heather.allen@uitp.org

