

2017



ADVANCING
PUBLIC
TRANSPORT

PUBLIC TRANSPORT
TRENDS

Executive summary

The changing natural environment, socio-economic pressures, demographic factors and increasing urbanisation are among the critical global issues impacting public transport to varying degrees. In this context, the 2017 edition of UITP's *Public Transport Trends* report explores four significant developments challenging the traditional forms and functioning of urban mobility. Technology and digitalisation, climate change, the need for organisation and the desire for individual transport are all driving change across the sector as a whole.

EXPLORING EVOLUTION PATHS 2015-2017

To frame the trends highlighted in *Public Transport Trends 2017*, the report opens with a timeline listing important moves and events that have marked the past two years. These highlights provide a snapshot of the changing face of mobility over the past two years and provide pointers to its future direction.

To enrich the context for the trends studied in this report, an update of those examined in the previous 2015 edition provides insight into development paths.

A compilation of key data and statistics, illustrating how public transport is progressing in selected countries and regions, serves to inform on the quantitative evolution of supply (fleets, networks), demand, and market share.

NEW MOBILITY SERVICES MEET PUBLIC TRANSPORT

The rise of technology, with the smartphone as the helm, is driving the shift away from urban mobility as a purely physical proposition. Alongside car-, bike-, and ride-sharing, the app-based Mobility as a Service (MaaS) and on-demand shuttle buses have emerged from their niche to address the needs of a wider audience. At the same time, connected, autonomous vehicles (AV) are no longer on the horizon; they are testing on the roads now.

On-demand mobility actors like Bridj and Careem have business models unlike those traditionally employed by the public transport sector. Acting as facilitators rather than direct service providers, their services are designed to be more reactive and flexible. They are not dependent on fixed routes, infrastructure or fleets.

Conventional public transport, with its high capacity, is set to remain the transport backbone of cities. However, the sector and authorities are realising they can up their game by learning lessons from new players. Local/regional transport authorities could, for example, procure such on-demand mobility services, which in certain cases would enable the provision of more efficient and/or less costly services than what currently exists. Ruter in Norway is already taking action by reorganising its service plan, while Transport for Greater Manchester is eyeing flexible on-demand mobility as a potential means of reducing the funding it pays out for supported services.

Mobility as a Service (MaaS), or 'integrated mobility platforms', seek to make it possible for travellers to combine and use diverse transport modes as simply as possible. While feedback to date is encouraging, experience from Smile in Vienna, UbiGo in Gothenburg, and the Hanover Mobility Shop reveal setting up and providing such services is no easy task. One of most salient issues being who should run them, and how? Planning long-term strategy and day-to-day operations remain challenging. Financing for the extra cost generated by integration is still under debate.

(RE)ORGANISATION OF THE PUBLIC TRANSPORT MARKET

In parallel to developments on the ground, the organisational structure of public transport is evolving, driven by the need to make service efficient for both operators and customers. Awareness of the economic role of public transport in cities has also grown.

The importance of a strong organising authority (PTA) is being confirmed across the globe, with leaders inspiring cities such as London, Singapore, Dubai or Moscow, followed more recently by Kuala Lumpur, Cape Town, and others adopting their own integrated organisational structures. Maintaining a durable vision of public transport when there is a change of government is also critical, as demonstrated by Vienna and Copenhagen.

With less government support on offer, funding for these PTAs, however, remains a challenge. Hence they are continuing to explore and experiment with new revenue streams involving the private sector and business community.

Given local specificities, there is no one-size fits all when procuring services – competitive or in-house tendering, to contract

or not to contract. Implementation of controlled competition depends largely on the presence/lack of a deregulated market or monopoly. Contracting is a confirmed trend, in diverse situations, with or without tendering for the provision of services

Also at this organisational level, improvement can be observed in the areas of professionalism and quality, as well as a vision of mobility not only for decongesting cities, but for social, environmental, land use purposes and economic development too.

FOSSIL FUELS AND BEYOND

As public transport continues its shift away from fossil fuels towards less polluting propulsion systems, awareness of the role oil prices and fuel subsidies are playing is growing. The Paris Climate Agreement has committed countries, which are now reviewing their strategy.

Though the contribution of public transport to air pollution and greenhouse gas emissions is very low, we have now reached a point where alternative technologies like electric and hybrid buses are becoming more mature. This is confirmed by the move from symbolic and isolated pilots to more ambitious deployments, or plans (Paris, London, Stockholm, China) in this direction. A welcome development as part of the sector's contribution to tackling climate change, this step forward is, however, raising questions over the costs of charging infrastructure, fleet renewal, and upgrades. Standardisation, or the lack thereof, remains an ongoing issue.

While electric is generally considered to be the way ahead over the long term, the technology is still not fully mature compared to a century of diesel bus development. Going forward, given their lower purchasing cost (more accessible for cities of all sizes) and good emissions performance, there will still be a role for Euro 6 buses.

THE MOTORCYCLE BOOM

From Vietnam to Sub-Saharan Africa to Brazil, data confirms that lives and public health in cities are being challenged by the popularity of the motorcycle. Also, as urban space becomes increasingly precious, the contribution of this mode of transport to traffic congestion and economic loss is also proving a major issue.

The success of efforts to curb and control (Hanoi, São Paulo, Indonesia, India), such as enforcing restrictions and licencing, depend very much on the importance of tackling the problem among authorities and decision makers. How high is it on their agenda?

Policy planners need to think fast and consider strategies for shifting private car users to public transport before they turn to motorcycles instead. Yet unless a public transport system is sufficiently developed to absorb mobility demand for the immediate future at least, the motorcycle is set to remain a staple and essential transport mode. As well as curbing private use, public authorities are also facing the challenge of incorporating the moto-taxi form of informal transport into an integrated and coherent transport supply.

Going forward, electric motorcycles and organised shared services may well prove part of the solution. Already they are emerging.

MOVING FORWARD...

With new actors, new business models and services, urban mobility is changing in line with our changing world. While remaining at the core of mobility in the city, public transport is adapting its form and functioning – not only to meet evolving customer demand and expectations, but also to reap the efficiency benefits on offer. Its role in the city as the backbone of the mobility system is not under threat, but must evolve to remain relevant.

Changing citizen expectations, growing pressure on mobility demand (rising ridership), coupled with less public funding, implies new governance models. The presence of organising entities to oversee networks will become crucial in the years to come, as will informed policy, long-term planning, and a stable vision.

Public transport is at a turning point in a mobility market experiencing an important transition. In this context, it should take the leading role.