

## editorial

### Looking to the future

*I could not resist the temptation of the coincidence of a new century and a new millennium with this third issue of EMTA News, to talk about the future of our activity.*

*I am absolutely convinced that the future of mobility for all the citizens lies on collective transport. My statement is supported by many reasons that are prevailing in the minds of citizens in order to obtain a sustainable mobility.*

*The new planning of our metropolitan areas causes a high increase of daily journeys, more and more difficult to make with a private vehicle: it is not possible to constantly build up new road networks, for the same environmental reasons that force - at last - the political authorities to make decisions against the unreasonable use of private vehicles.*

*The improved standards of quality of life of our citizens compel us to take the necessary steps to stop traffic congestion, environmental pollution, noise and car accidents. And these steps should always foster public transport.*

*The endless use of fossil fuels, without any adequate alternatives found so far for the design of new engines which diminish consumption, or for the obtaining of new non-polluting fuels, will be a challenge for the 21<sup>st</sup> century.*

*For all these reasons, public transport has a promising future. Even more as we are applying many different state-of-the-art technologies to our world, which will make public transport more efficient, safe and comfortable, that is to say, more popular.*

**José Ignacio Iturbe,**  
Managing Director,  
Consorcio Regional de Transportes de Madrid  
Vice-President of EMTA

## News from Europe

### ● "Noise directive" on the right track

The Environment Council of 18 December 2000 reached a common position on the "Noise directive", which will now go to the European Parliament for a second reading. The directive aims at producing strategic noise maps of the EU showing noise levels in major agglomerations (more than 250,000 inhabitants), roads, railways and airports. Harmonised indicators will be established so as to measure the sources of noise, among which transport is a major factor.

### ● "Rail package": agreement reached

The conciliation agreement reached last November by the European Parliament and the Council on the "rail transport package" was adopted unanimously by the Council of the Ministers of Transport on 22 December and shall soon pass the Parliament. This package consists in three directives containing a wide range of measures:

- opening up of rail freight transport as of 2003,
- separation of transport operations and essential functions relating to capacity allocation and infrastructure charging,
- setting of charges on the basis of the marginal cost,
- improved safety rules, which should be made by entities other than the rail operators.

Luxembourg, Ireland, Northern Ireland and Greece will be granted exemptions for various durations.

### ● 750 million Euros to remove bottlenecks on the European railways

Ms. De Palacio, European Commissioner for Transport and Energy, announced on December 11th that the European Commission will spend 750 million Euros over the next 5 years to help remove the main bottlenecks of the European railways. This amount will come in addition to the funds already earmarked for the 14 priority projects of the Trans-European Transport Networks (TEN-T).

### ● CIVITAS

The CIVITAS (City VITALity Sustainability) call for proposals for Clean urban transport demonstration projects was officially launched by the European Commission on 20 October 2000. The Commission has earmarked 50 million Euros - for this call and intends to select between 5 and 10 projects consisting of cross-national pairs of local initiatives made up of a lead site and a follower site. Proposals will have to be submitted either to the Growth or the Energy Programme before 15 March 2001.

### ● Galileo: project postponed

The Council of Ministers of Transport of 21-22 December 2000 decided to postpone to its next session in 2001 the launch of the European global navigation satellite system project Galileo. Some countries fear that the cost, assessed by the European Commission at 3 billion Euros, might be underestimated. The project shall provide some new tools for positioning in the field of transport, independent from military GPS and GLONASS systems.

# News from the cities

## ● New steps towards fare integration in Bilbao

### • Creditrans multi-purpose ticket

The Creditrans multi-purpose ticket came into operation on Bizkaia's public transport network on September 23<sup>rd</sup>.

Creditrans is a pre-paid ticket from which the amount of each trip is subtracted as it is used. The rate that is deducted is the applicable for the bonus passes which are intended to be substituted by Creditrans in the near future. The market for these passes is worth over 6 billion pesetas per year.

It is a multi-purpose ticket, i.e. it can be used on different means of transport and in different areas and combinations. More than one person can also travel on the same ticket. Discounts of 20% of the total price of the trip are applied for changes in transport. Creditrans has obtained a market share of 60% in its first month of operation.

### • Common zones

The Consorcio de Transportes de Bizkaia proposal of common zones has been approved for all public transport. Bizkaia has been divided into five concentric fare areas around a central core zone in Bilbao. The possibility of linking Bilbao with the rest of its metropolitan area in a single core zone is now being studied.

### • Common fares

The next step is to establish common fares throughout Bizkaia. The Consorcio de Transportes de Bizkaia is already working on this.

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## ● Towards "Zero emission" in the centre of Rome

### • Control of access to the historical centre

As part of the mobility measures decided for the Jubilee of 2000, the Municipality of Rome has implemented a control of access to the historical centre. A Restricted Traffic Zone of 5,5km<sup>2</sup> was created. 22 gates equipped with an "access control system" based on the Telepass technology, also used for highway tolls, will check that vehicles are allowed to enter the limited traffic area. The entrance is free for residents, but other categories of car users have to pay the equivalent of a yearly public transport pass to obtain a permit. Violators, identified by their number plates, will automatically be fined.

### • Electric buses in the centre of Rome

Rome public transport company ATAC designed a network of "electric" routes that cross the historical centre of the city and

connect the underground stations within the Restricted Traffic Zone. 4 routes are already operated with some medium-sized (capacity of 44 persons) electric buses using lead acid batteries. The network will soon have 3 new lines (for a total length of 51km) and 54 new vehicles ranging from 28 to 35 seats. This new network will improve the service offered to the people and contribute to the goal of "Zero emission" in the centre of Rome.

<http://www.comune.roma.it/dipVII>

## ● A Metro for Dublin

The Government of Ireland has approved in principle the provision of a Metro in Dublin. The project will be brought forward on a Public - Private Partnership (PPP) basis, using a Design, Build, Finance and Operate Mechanism. The Metro network will be completely segregated, with tunnels necessary to maintain the required level of segregation in the densely developed areas. The estimated cost of the system is 5,6 billion Euros, and construction will be largely completed by 2010. The first step on the timeline of project is to build the Luas (Light Rail Transit) Line B. Luas Line B will be constructed between Sandyford in the south of the city to St Stephens Green and will be later upgraded to Metro. The Government has approved a 200 million Euro budget for this line, which will be in service by Summer 2003. The Metro proposal is a key element of the Dublin Transportation Office recommended transportation Strategy for the period 2000-2016, which has been submitted to government for approval.

<http://www.dto.ie>

## ● A journey observatory in Geneva

The Office des Transports et de la Circulation of the Canton of Geneva has set up a journey observatory, which aims at improving the planning process and at helping decision makers in their technical and financial choices.

### • The observatory is made up of six main areas:

- socio-economics: GDP, price index, energy costs
- town and country planning: population, employment, public amenities
- demand for transport / mobility: number of journeys per person, average journey length, type of journeys
- supply of transport (networks and services):

location of networks, capacity, frequency, parking facilities

- traffic: modal split, volumes, commercial speeds, parking turnover rate

- impacts of transport: pollution, financial cost, security, economic development.

### • The journey observatory will enable to :

- gather and update a set of basic data, in particular to meet public information and consultation requirements

- find out whether standard solutions developed locally, both technically and in terms of organisation, can be applied widely

- compare various projects in the same metropolitan area or in different areas.

Thus large infrastructure projects or technological developments will be evaluated on the basis of homogeneous criteria that allow for comparisons within a single mode of transport or between different modes or combination of modes.

<http://www.etat-ge.ch/otc/e-obs.htm>

## ● Paris: STP becomes STIF

A law was passed in December by the French Parliament to modernise the institutional framework of public transport in the Ile-de-France Region (11 million inhabitants).

The main change brought about by this reform is the entry of the Ile-de-France Regional Council into the transport authority STP, which thus became Syndicat des Transports d'Ile-de-France (STIF). The French State keeps the majority of votes in STIF's board. This reform will enable all operating subsidies granted to transport operators to go through STIF, and thus to have a better control of the financial sums involved.

The law also contained an article enabling RATP, Paris public transport company, to operate networks outside of the Ile-de-France Region and abroad.

<http://www.stif-idf.fr>

## ● Exchange programme among EMTA Members

Thanks to financial support from the Leonardo da Vinci European programme, RMV (regional transport authority for Frankfurt) could send three persons to Manchester last Autumn to study some aspects of public transport organisation within GMPTE (transport authority for Greater Manchester). This exchange programme among EMTA Members enables authorities to learn from each others' best practices.

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# Analysis

## Workshop "Contracts: a tool for transport authorities" (23 November 2000)

EMTA organised a workshop on contracts in Rome last November, which 80 European experts and professionals of public transport attended. Full text of the presentations can be obtained by asking for the proceedings of the workshop at: [emta@emta.com](mailto:emta@emta.com)

The workshop began with a presentation of the position of the European Commission regarding contracts between public authorities and transport operators, summarised in the **project of new Regulation on public service requirements** which was submitted to the European Council and the European Parliament on 26 July 2000.

The Commission wants to promote "controlled competition" in the field of public transport. Contracts awarded through competitive tendering for a limited period of time are a way to achieve this.

The **French institutional framework for public transport services** shows how transport authorities and operators can work together through contracts. Outside the Paris-Ile-de-France Region, provision of urban public transport is a duty of public transport authorities (PTA), which can be municipalities or groups of municipalities, sometimes associated with counties. PTAs decide on the level of service, on creation or modification of routes, on fare levels, and they have the choice to operate the services themselves or to contract them out. 90% of public transport networks are contracted out to passenger companies, which are mainly private ones. Contracts are awarded by competitive tendering for a limited duration. Operators have a strong power of proposals, and the quality of the network depends on the quality of the partnership between the operator and the PTA.

In the **Brussels Capital Region**, contracting was devised as an answer to the strong financial problems encountered in the 1980's by STIB, the public operator of transport networks, and the decline in patronage.

The first two contracts (1991-95 and 1996-00) aimed at reducing the losses of STIB and at increasing patronage. They enabled to boost investments in new and modernised infrastructures.

The third contract (2000-05) defines the

tactical and operational missions of STIB and puts the emphasis on the quality of service through financial incentives.

In **Rome**, the new legal framework of public transport operations is based upon the separation between the functions of regulation (network and service planning, infrastructure management, fare system, commissioning and control, quality), which shall remain in public hands, and the functions of provision of services, which shall be reserved to the market. Public companies will be turned into limited companies at the end of 2000 and tendering procedures will be used for the procurement of services as of 2003. Service contracts were introduced in Rome in 1995 and enabled to reduce the costs of operations (-16% for buses between 1995 and 2000) and public compensations to companies (-30%), increase production and traffic revenues, and lastly improve the quality of service and clients satisfaction thanks to the introduction of a monitoring system.

In **Stockholm**, contracts and tendering procedures have been implemented since 1990. The PTA responsible for all public transport in the county procures the services through tendering procedures. Companies from all countries can compete and the PTA chooses the most favourable tender. The time-limited contracts are monitored by the PTA, which works in close co-ordination with the operator to develop the services. In 10 years, prices have been reduced by 25% and services expanded by 18%. The current focus is on improving the quality of services delivered and on developing methods to select the tenders which will offer the highest level of quality.

In the **Frankfurt Region**, the PTA (RMV) is progressively using competitive tendering

to award contracts. Competition aims at developing a high-standard integrated public transport network and at reducing public subsidies. Gross cost contracts were signed for two regional railway lines with incentives for quantity of services, prices, financial structure and quality.

In **Barcelona**, contracts are used to achieve fare integration. With the new system, ATM, the PTA for the metropolitan area of Barcelona, is responsible for the integrated fare policy, collects the revenues of sales and distributes them to operators depending on their level of patronage. Because of the different nature of existing contracts between ATM and operators, it has been necessary to sign specific contracts with each operator for the implementation of the integrated fare system. The weighted mean tariff (TMP) of the whole metropolitan area is the indicator used to homogenise the system.

In **Madrid**, the building of the Avenida de América Interchange (metro, interurban bus and P&R facilities) was a complex project and concession contracts were used to finance it. Because of its location in a very busy part of the City, the project was very expensive and public funds were not sufficient. CTM, the PTA for the Madrid Region, looked for ways to attract private financing for the operation through an analysis of the revenues that could be generated by the interchange to concession companies (fees on passengers and vehicles, leasing of shops, vending machines and publicity space).

For **Connex**, an international operator, contracts have to be flexible and to specify precisely basic elements. The selection of the operator must be based on a multi-criteria analysis using clear and transparent elements. Though there is no perfect contract duration, short term contracts

# Analysis

should be avoided. 8 years seem a good duration for bus contracts. Connex is in favour of financial incentives based on patronage increases and on the quality of services delivered (bonus/malus). The measurement of quality must use criteria and methods explained in the contract. The contract shall give the operator a right of initiative to improve and develop some services (up to 20% of total kilometres specified in the contract). Lastly, the operator shall not necessarily be the owner of assets. If the operator does invest, the contract's duration should be linked to the pay-back period.

**FirstGroup**, the largest UK bus operator, is not in favour of quality contracts, which entail additional costs of bureaucracy, remove the ability of the operator to respond to the market, have poor effect on staff morale, and don't necessarily lead to increased investment. Instead, FirstGroup fosters quality partnerships working on a voluntary basis. The objective of partnerships is to improve the quality of public transport and to present networks as fully integrated and of high quality. These agreements, which can be at two different levels (umbrella or for specific corridors), tackle issues such as bus priority measures, publicity, waiting environment, connections/interchange and ticketing arrangements.

The **European research programme Quattro**, which was co-ordinated by OGM, defined a European standard of quality of service for public transport. This standard, which shall be approved by June 2001, will enable authorities and operators to have a common definition of quality of service and a common methodology. However, this future standard won't solve all the problems about quality. For example, there is no standard for the measure of quality. As a result, some services will be certified with different levels of quality. Another limit is that certification only checks the conformity of the service delivered with a standard, and not the way quality is perceived by customers.

In **Oslo**, a new performance contract, with a stronger focus on productivity and increased number of passengers, was introduced in 1998 between Oslo Public Transport and the Municipality. It is the first stage towards a new type of performance contract, based on a quality monitoring system and performance-dependent subsidies. If the company fails to keep the quality level within defined borders, the contract will be cancelled and opened for tendering.

As such, quality contract can be considered as an alternative to competitive tendering.

In **Paris**, contracts were signed in July 2000 between STP, the Paris-Ile-de-France PTA, and the two state-owned operators (RATP and SNCF). Three kinds of financial incentives are included in the contracts: incentive on the level of services actually delivered, on the volume of sales and lastly on the quality of services achieved. Indicators of quality of service have been agreed upon.

The contract sets some precise objectives and a system of bonus/malus rewards the efforts of the companies. Pending questions concern the weighting of indicators by the number of passengers, the quality of bus routes (what does really depend on the operator ?), the measurement of indicators, the relevant level of incentives and the way to deal with major disruptions.

GMPTÉ, the PTA for **Greater Manchester**, and the companies operating networks in Manchester agreed in 1998 to initiate the Integration Project, whose objectives are to improve the quality of public transport and to present it as an integrated and high quality network, easy to understand and to use. This partnership includes a county wide "umbrella" agreement, which commits partners to measures that will affect the entire network and benefit all public transport users, and a series of "corridor" agreements for more specific improvements.

The Transport Authority plays a major role for the success of the partnership. A new UK legislation, which is about to be passed, will officially create "Local transport authorities" and strengthen their ability to co-ordinate and integrate the networks.

They will also have the right to exclude operators who are not part of a quality partnership from using the facilities provided as part of the partnership.

## Agenda

### ● Marketing Workshop: "Marketing Strategy",

29-30 January 2001  
Vienna, Austria

For more information: [events@uitp.com](mailto:events@uitp.com)

### ● ECOMM 2001: European Conference on Mobility Management,

7-8 February 2001  
Rome, Italy

Conference on mobility management policy framework, concepts and organisation, and experiences in local authorities, organised by the association of Italian Cities for Sustainable Mobility and Transport Issues

For more information: [santel.a@atm.torino.it](mailto:santel.a@atm.torino.it)

### ● UITP Conference on Innovation of Public Road Transportation,

7-9 February 2000  
Maastricht, The Netherlands

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