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National Days of Urban Transport

Under the High Patronage of Her Excellency the Minister of Transport of Jordan

Amman, 26-28 October 2015
Ministry of Transport

Session 4 - Governance and Regulation of Urban Transport

Regulating micro-companies in urban transport: Experiences from abroad

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Micro-companies in urban transport

Typologies from South America and Sub-Saharan Africa

South America

Atomisation founded on routes

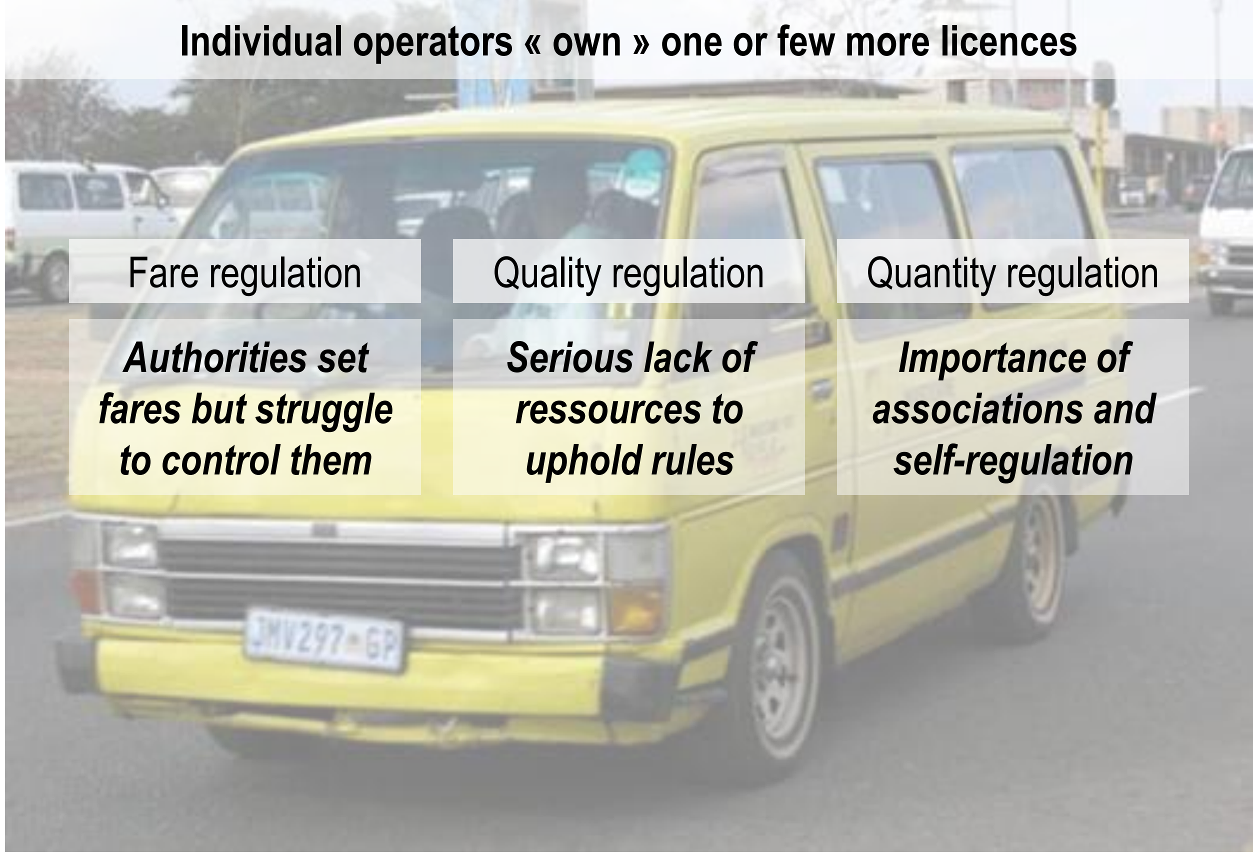
Cooperatives « own » a certain number of licences

Fare regulation	Quality regulation	Quantity regulation
Negociation between operators and authorities	***Profit-seeking models at the expense of quality***	***Continuously growing vehicle numbers***

Photo: Lima, Peru

Sub-Saharan Africa

Atomisation founded on ownership



Individual operators « own » one or few more licences

Fare regulation	Quality regulation	Quantity regulation
Authorities set fares but struggle to control them	***Serious lack of ressources to uphold rules***	***Importance of associations and self-regulation***

Photo: Pretoria, South Africa

Typologies from South America and Sub-Saharan Africa

South America

Sub-Saharan Africa

Networks are the sum of various routes, each one representing an individual initiative

South America

Route « path »

Route is detailed on vehicles and it is proposed by operators and accepted by authorities

Operating/Commercial speeds

Sometimes defined on licences but drivers will « cheat » to increase patronage

Frequencies or schedules

Defined on licences but not respected by drivers as authorities lack control

Photo: Bogota, Colombia

Photo: Buenos Aires, Argentina

Sub-Saharan Africa

Photo: Dakar, Senegal

Photo: Cape Town, South Afriica

Route « path »

Undefined, drivers will look for the best route between two points or ranks

Operating/Commercial speeds

Often the objective is to drive as fast as possible or as fast as traffic allows

Frequencies or schedules

Departure will depende on vehicle capacity and vehicle occupancy (depart only when full)

Re-regulating micro-companies

From competition *in* the market to competition *for* the market

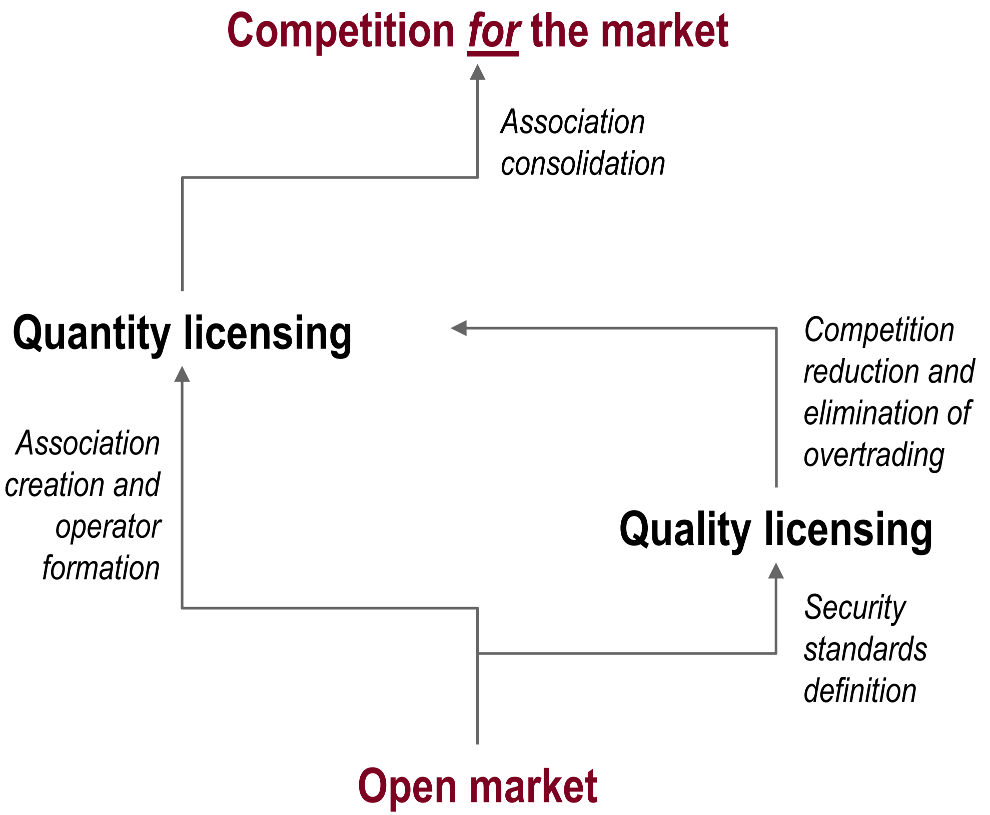
Competition *for* the market

- Management contract
- Gross cost contract
- Net cost contract
- Franchise
- Concession

Competition *in* the market

- Quantity licensing
- Quality licensing
- Open market

Typical micro-companies' domain



Re-regulating micro-companies

Case: Santiago's *Micro Amarillos*

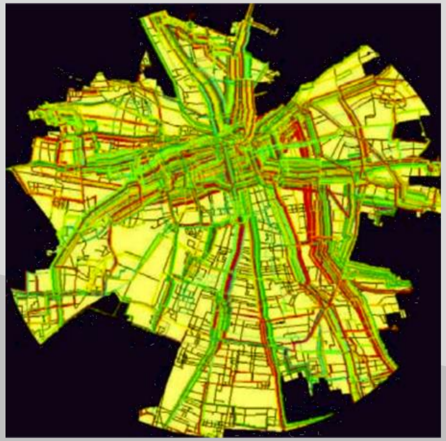
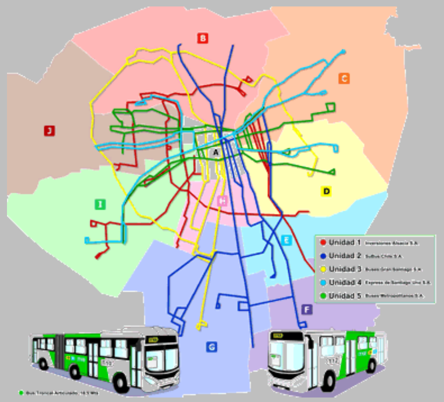


Photo: Santiago, Chile



Transport services in Santiago: Feeder services, Trunk services, Metro network

Transantiago (part of **PTUS**), 2007

Two types of micro-companies :

Micros amarillos – conv. buses, **80% of PT**

Taxis colectivos – shared taxis, **6% of PT**

Ultimately, Transantiago only reformed bus sector

Incumbent operators were presented with few choices :

- Create feeder-operations companies
- Withdraw from the system

Existing operators were excluded from trunk lines

Smaller operators were excluded from programme

Improved operational efficiency and coordination

Reduced pollution

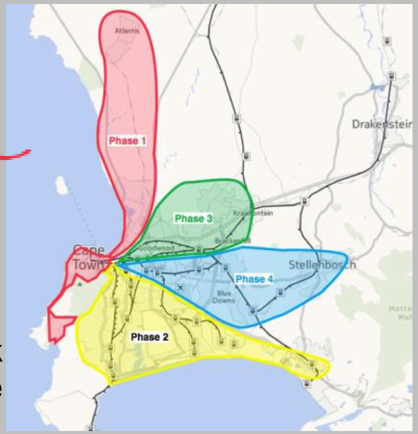
Reduced territorial coverage in peripheral areas

Increased need to transfer

Re-regulating micro-companies

Case: Cape Town's *Minibus-taxis*

Photo: Cape Town, South Africa



Phase scheme for Cape Town's BRT network
Initially proposed scheme

Minibus-taxis' rapid growth : (official data)

From **29% of PT in 2005**
To **44% of PT in 2013**

1. **Taxi Recap Programme** (2006)
   Fleet renewal initiative with contested results

2. **IRPTN** for Cape Town, **MyCiTi** (2011)
   Transforming (few) incumbent operators into BRT operators
   Creation of companies required consolidation and formalsation

Choice of first corridor was « strategic »
Not the corridor with highest demand, the corridor with fewest associations

Three operating companies, two of them (feeder services) were former minibus-taxi operators.

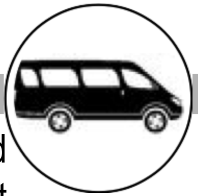
Conclusions

There is an interest in **acknowledging**

giving a role to public transport micro-companies

Complementarity between micro-companies and mass transit systems is possible

More regulation



Less regulation

Operational efficiencies are improved
Main advantages of micro-companies are lost

Operational efficiencies are difficult to achieve
Main advantages of micro-companies are preserved

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Thank you