

Trade and Investment Project



Urban Transport

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SESSION 1: ISSUES AND OPTIONS



PROBLEMS OF URBAN TRANSPORT IN MAPUTO

- Fare levels – excessive or inadequate?
- Services are irregular
- Vehicles are poorly maintained
- Vehicles are badly driven
- Operators' incomes are inadequate
- Traffic congestion caused by chapas
- The system is unsustainable



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FARE LEVELS

- Operating costs are steadily rising
- Operators' net income declining
- February 2008 protests
- Substantial increase
- Previous increase in 2005
- Small but frequent increases more acceptable
- Economic fares probably acceptable
- But service standards are poor and efficiency low



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SERVICES ARE IRREGULAR

- Chapas do not operate to schedule
- Often depart only when full
- Problems for passengers boarding along route
- TPM buses operate to schedule but infrequently
- Routes are often split to increase revenue
- Shortage of capacity on many routes at peak times



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VEHICLES ARE POORLY MAINTAINED

- Drivers are responsible for most maintenance
- Expenditure kept to a minimum
- Ineffective safety inspection procedures



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VEHICLES ARE BADLY DRIVEN

- Drivers must maximise revenue
- Owners take no responsibility for driver behaviour
- Ineffective enforcement of driving standards



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OPERATORS' INCOMES ARE INADEQUATE

- Owners not fully aware of costs and revenue
- Drivers have incentive not to disclose true figures
- Inefficient vehicle utilisation
- Some costs unnecessarily high



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TRAFFIC CONGESTION CAUSED BY CHAPAS

- 1 large bus takes up similar road space to 2 chapas
- But can carry 5 times as many passengers
- Irresponsible driving compounds the problem
- Inappropriate fleet mix



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THE SYSTEM IS UNSUSTAINABLE

- Income inadequate to maintain and replace fleet
- Drivers not interested in proper maintenance
- Income inadequate for fleet expansion
- TPM overheads are too high for present level of operation
- The system only survives by operating illegally



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OPTIONS

- Leave things as they are
- Improve enforcement of existing regulations
- Change of policy and regulations



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LEAVE THINGS AS THEY ARE

- Existing problems will worsen as city grows
- Inefficiencies of present system will become more pronounced
- Overall quality of the system will deteriorate substantially
- Costs to the users will continue to rise in real terms



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IMPROVE ENFORCEMENT OF EXISTING REGULATIONS

- Must be done sooner or later although a difficult task
- Improved driving standards, safer vehicles, and more reliable services
- Passengers would not be overcharged
- But some problems would worsen
- System can only function at present because rules can be broken
- Some vehicles could not be refurbished – so capacity would decrease
- Maintenance expenditure would increase significantly
- Fares may have to be increased



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CHANGE OF POLICY AND REGULATIONS

- Develop a policy which is clear, consistent, and appropriate to the requirements of the city
- Amend regulations to conform with this policy
- Most important (and most difficult) of all: ensure that regulations are effectively enforced.



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SESSION 2: POLICY AND STRATEGY OPTIONS



POLICY OBJECTIVES

- Affordability
- Safety
- Coverage
- Reliability
- Convenience
- Comfort
- Traffic Congestion
- Environmental Considerations
- Sustainability



POLICY ELEMENTS

- Regulation and Competition
- Industry Ownership and Structure
- Division of Responsibility
- Funding
- Vehicle Types
- Route Network
- Infrastructure



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REGULATION AND COMPETITION

- **Competition in the market**
 - minimum intervention by government
 - unplanned system
 - erratic service
 - undesirable operating practices
- **Competition for the market but not in the market**
 - concessions awarded through competitive tender
 - planned and coordinated system
 - benefits of competition
 - effective enforcement essential



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INDUSTRY OWNERSHIP AND STRUCTURE

- **Ownership**
 - public sector
 - private sector
 - mix of both
- **Size of Operator**
 - One large monopoly operator
 - Few large operators
 - Many small operators
 - Mix of sizes



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OWNERSHIP

- Ownership should not matter
 - but all must operate on equal terms whether commercial or subsidised
- Companies may be jointly owned
- In practice private sector operators are more effective
- Worldwide trend is towards 100% private ownership



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SIZE

- A monopoly is not desirable or practical
- Many small operators are difficult to control
- Minimum operator size should be the number of vehicles required to run one entire route
- In Maputo probably 4-6 operators would be most efficient
- Maximum fleet size – about 300 big buses



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APPROPRIATE DIVISION OF RESPONSIBILITY

- Planning of Services – Municipalities
- Licensing of Services – Municipalities
- Setting fares (no subsidy) – Bus Operators
- Setting fares (subsidised) – Municipalities
- Provision of Terminals and Bus Stops – Municipalities
- Provision of depots and workshops – Bus Operators
- Vehicle selection, purchase and ownership – Bus Operators
- Enforcement of Regulations – Municipalities
- Control of operations – Bus Operators



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FUNDING OPTIONS

- All costs covered by fares
- Subsidies to make good losses
- Net cost contract
- Gross cost contract
- Alternative fare structures



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VEHICLE TYPES

- Maximum sized buses on main routes
 - rigid, articulated, double-deck
- Smaller buses on low-demand routes or narrow roads
- Diesel, gas or electric power
- Implications for congestion, pollution, and safety
- Appropriate makes and models



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ROUTE NETWORK

- Existing network needs review
- Trunk routes with branches - maximum connectivity
- Trunk routes with feeders – optimal vehicle use
- Concessions: convergence on common corridors
- Premium and Standard Services



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INFRASTRUCTURE

- Terminal facilities – suitable size, layout and location
- Bus stops and shelters – suitable design and location
- Depots and workshops
- Road improvements
- Traffic management and parking control
- Bus priorities



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THE VISION

- Well planned route network
- Service levels adequate to meet demand
- Appropriate vehicles on all routes
- One operator per route
- Well organised and efficient operation, profitable at affordable fares
- An example to the rest of Africa



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THE NEXT STEPS

- Encourage owners to form into cooperatives or companies
- Encourage the use of larger buses
- Review of route network
- Review of fare structure and levels
- Pilot project – demonstration concessions on selected routes
- Public Transport Master Plan for Maputo and other cities



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