

# Efficient & Sustainable City Bus Services

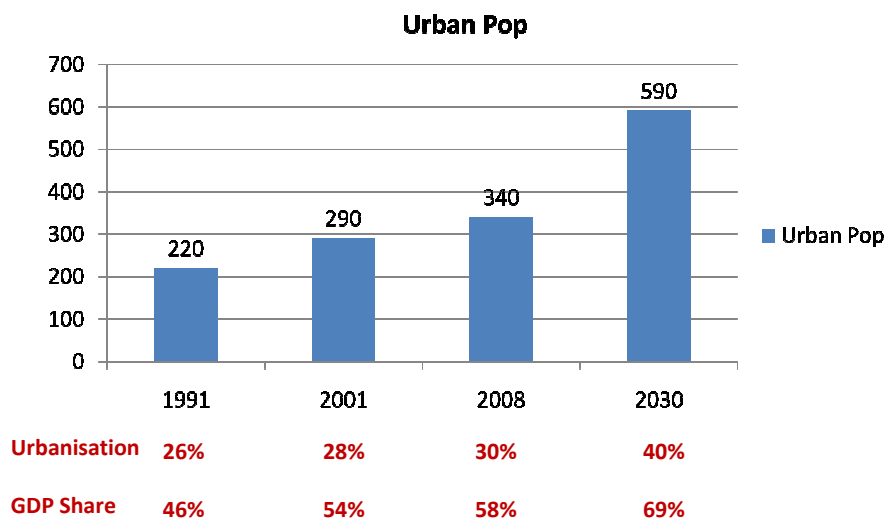


**GEF5 Project Concept**  
**Workshop on Bus Modernization**

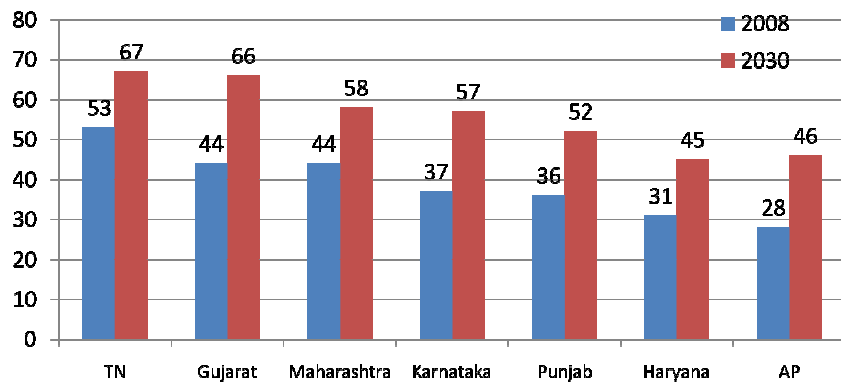


16 June 2012

## India is rapidly urbanising ...

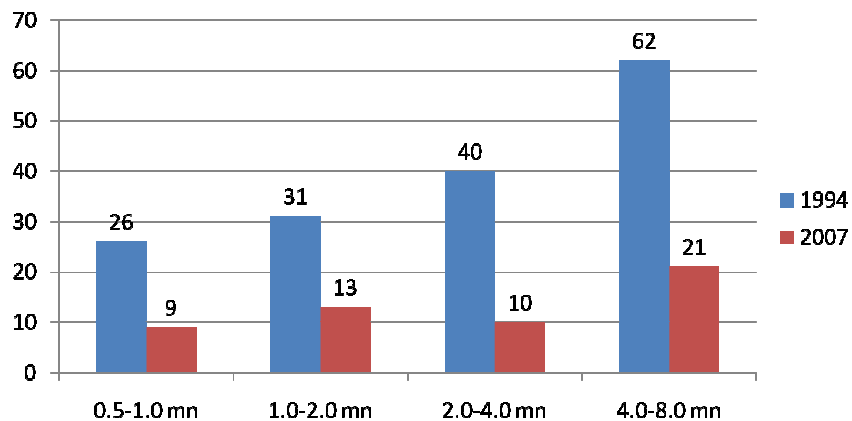


## India is rapidly urbanising ...



*India will have 68 cities with a population of one million and above by 2030*

## But alternatives to personal modes are limited ...



*Public transport mode shares are declining ... resulting in increasing dependence on personal modes and an unsustainable demand for more road infrastructure – costs, land scarcity, congestion, accidents, GHG*

## **But alternatives to personal modes are limited ...**

- **Traffic & Transportation study indicates that only 20 of 80 (0.5 mn) cities have formal public transport systems**
- **A large majority of STUs have declining fleet sizes, are loss making and have inadequate resources for service and infrastructure upgradation**
- **Proliferation of fragmented and unregulated IPT resulting in congestion**

*City bus services a cost effective and efficient solution for most cities ensuring widest coverage*

## **NUTP, JnNURM Scheme**

- **GoI's NUTP emphasizes priority to public transport, in particular bus transport**
- **JnNURM bus funding scheme focussed on bus fleet replenishment in existing cities and launch of bus service in new cities**
- **Overall, \$1 bn, 15000 buses and 61 cities**

*Progressive policies and schemes of GoI beginning to address the situation*

## In addition, at city level need for

- Operationalisation of an **institutional mechanism** and the reform agenda
- **Physical infrastructure** such as terminals, depots, bus shelters
- **ITS support** such as PIS, fleet management, scheduling, AFC for improved operations, user responsiveness and mode integration
- **Route plan and rationalisation** for integration with other modes and user responsive service planning
- **Private operations** contracting and monitoring
- **Fare management and financial planning** for improved bottom lines
- **Driver training and improved maintenance practices** resulting in fuel savings

*Sustainability requires attention on other key aspects of the spectrum*

## In addition, at national/state level need for

- **Review of cross cutting issues**
  - Tax burden on buses
  - Guidelines for efficient operations - fuel savings etc.
  - Regulatory and institutional framework for city bus services

*... attention to key regulatory, institutional and fiscal issues ailing city bus services*

## GEF5-Promoting Energy Efficient and Sustainable City Bus Systems

### Objective

- Promote a shift from private to public transport by focusing more comprehensively on city bus transport and treat multiple issues (operational, financial, regulatory, fiscal).

### Baseline Project

- National Urban Renewal Mission (NURM) Project supporting acquisition of bus fleets for 61 cities (or other schemes of MoUD)).

## GEF5 Project Components

COMPONENT I

**\$0.5 mn**

*Technical Assistance on Regulatory, institutional & fiscal issues*

COMPONENT II

**\$2.1 mn**

*City Demonstration Project – TA & Capacity Building*

COMPONENT III

**\$6.0 mn**

*City Demonstration Project – Physical Investments*

## **Component 1: National / State Level Capacity building and TA on policy, regulatory, fiscal Issues**

- **Policy notes and workshops** to create awareness and facilitate deliberation at national and state level
- **Focus areas**
  - Modernization of STUs/city bus services
  - Private sector participation
  - Greater decentralization to city government level
  - Taxation on public transportation
- **Training programs** i.e. fuel efficiency.

## **Component 2: City Demo Projects Capacity building and Technical Assistance**

- **Pilot project in 3 cities** with (i) existing bus services and (ii) where services planned to be introduced for modern bus services
- **Focus areas**
  - Route rationalization
  - Greater private participation,
  - Improved branding and over all financial sustainability
  - Driver training and vehicle maintenance
  - Reform implementation
  - Capacity building

## **Component 3: City Demo Projects**

### **Physical improvements**

- **Pilot projects in 3 cities** (same as cities selected for Component 2)
- **Focus areas**
  - Improvements to bus stops, terminals and depot infrastructure
  - ITS including PIS, AVLS, AFCS, Fleet mgmt etc
  - Maintenance equipments

## **Selection Criteria for Pilot Cities**

- **Competitive Process with emphasis on**
  - Medium sized cities (population of 1 to 4M)
  - Clear commitment to project
  - Comprehensive set of modernization measures for full and visible impact
  - Innovation and adoption of latest techniques and practices
  - Reform agenda

## GEF Grant & Co-financing

	MoUD	State/ City	GEF	Total
<b>Component 1: Capacity Building &amp; TA on Policy, Regulatory and Fiscal</b>				
Policy Notes, Workshop	2.0		0.7	2.7
<b>Component 2: Capacity Building &amp; TA to Demo Cities</b>				
Demo with 3 cities		0.5	2.1	2.6
<b>Component 3: Demonstration Project</b>				
Demo with 3 cities	30	49.5	6.0	85.5
<b>Project Management Cost</b>				
	3		0.4	3.4
<b>Total</b>	<b>35</b>	<b>50</b>	<b>9.2</b>	<b>94.2</b>

**Thank You**