

Market Organisation Matrix: problems – policies – strategies – need for further investigation

Key problems	Recommendations		
	Policy (objective, need for action)	Strategy (measures, concrete actions)	Further investigation
<ul style="list-style-type: none"> access barriers to PT missing integration of national, regional and local PT adherence to old historic structures lack of national/regional legislation that facilitates integration the appropriate approach for revenue distribution (supply or demand oriented) lack of interest, knowledge and awareness of politicians and operators a possible (initial) increase of costs by tariff integration lack of initiative (who takes the lead for integration?) 	<p>Establish seamless multi-modal (integrated) PT transport offers</p>	<p>Define clear PT policy aims and responsibilities for integration</p>	
		<p>implement suitable organisational model</p>	<p>overview on existing organisational models</p>
		<p>Co-ordinate PT (and overall mobility) planning, e.g. by setting up a regional PTA</p>	
		<p>Improvement of inter-municipality cooperation and coordination between public transport actors</p>	
		<p>raise awareness among all actors</p>	<p>promotion of integrated PT solutions incl. demonstration projects</p>
		<p>Capacity building for local authorities and government decision makers to be able to plan and cooperate</p>	<ul style="list-style-type: none"> evaluation of different existing solutions of integrated PT with recommendations handbook on integrated PT analyse the success factors towards tariff integration
		<p>set up legislation that favours integration</p>	<p>impact analysis of the new EU Regulation 1370/2007 with respect to integration</p>
		<p>recommend standardisation level of operation</p>	<p>analysis of interdependence between tariff integration and ticketing systems (possible barriers to integration) along with the clearing house</p>
		<p>incorporate integration issues in the PSC (see policy 2)</p>	
		<p>change attitudes of PT actors: shift the focus from the product to the customer</p>	
<p>extend integration to other mobility service providers, car sharing etc</p>			

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<ul style="list-style-type: none"> • difficult long term and even short term planning due to unstable or unclear regulatory settings • implementation of the new EU Regulation • frequent political interference • lack of control regarding efficiency and effectiveness of the service provision • Contractual arrangements between the actors are missing: unclear division of tasks, responsibilities and risks between operators and authorities resulting in lack of initiative • increasing quality expectations of customers, but few incentives for PT operators to cut costs and increase quality and revenues • In CEEC: Financial and organisational vacuum due to changes in the responsibility from the state to regional/local authorities; incomplete decentralisation, with some competences left at the governmental level 	<p>set up sound and stable framework conditions</p>	<p>establish long term urban mobility planning</p>	
		<p>implement Public Service Contracts (PSC) according to EU Regulation</p>	
		<p>support and commitment of the national level by respecting the subsidiary principle and the local conditions</p>	<p>analyze an appropriate balance of support and intervention of the national government</p>
		<p>In CEEC: Completion of decentralisation process, giving all responsibilities and control to the local or regional authorities with the respect to the tactical and the operational level</p>	
		<p>implement an accepted Market Organisation (clear rules and environment of trust)</p>	
		<p>adapt legislation</p>	<p>how to adapt legislation in the context of the new EU Regulation 1370</p>
		<p>implement incentives in order to improve quality and efficiency</p>	<p>Cost Benefit Analysis of different incentive schemes in order to identify the most suitable schemes and also to calculate bonuses; should also consider the willingness to pay for quality improvements.</p>
		<p>implement monitoring systems</p>	<p>Handbook for PTAs: monitoring systems for PT</p>
		<p>establish frameworks for awarding policy</p>	

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<ul style="list-style-type: none"> • Low fare revenues / cost coverage • pressure on public funds: restricted municipal budgets • no or little regional or state funds • unstable framework for sound long term investment planning • lack of funds for investment and operation; finding ways and means to finance the urgent renewal of neglected infrastructure, rolling stock and creation of new services • political tariffs without proper compensation • limited possibilities for commercial bank loans (credit rating, stability) • lack of know-how for accessing EU funding 	<p>Improve PT funding and financing balances</p>	<p>check all options of tariff measures in order to increase revenues</p>	<ul style="list-style-type: none"> • evaluate different tariff strategies • identify prize elasticities for different travel purposes and client groups
		<p>check options for measures to increase PT attractiveness (integration, bus lanes etc.); include quality aspects in PSC</p>	
		<p>evaluate the possibilities of creating additional revenues by enlarging the operator's service portfolio</p>	<p>Handbook of good practise "real-life" examples for creating side revenues</p>
		<p>reduce operational costs and increase production efficiency (-> treated by CM cluster)</p>	<p>possibilities of joint procurement actions</p>
		<p>make use of market forces (benchmarking, tendering, incentives, PPP)</p>	<p>Investigate the possibilities and risks of using PPP schemes for local PT infrastructure, especially in CEEC</p>
		<p>compensate operators according to their public service obligation (no under-compensation of discounted tickets)</p>	
		<p>Identify alternative sources to fund PT infrastructure and operation (value capture, parking fees etc.)</p>	<ul style="list-style-type: none"> • Handbook on PT funding and financing • impact assessment of different funding/financing schemes
		<p>simplify funding structures</p>	
		<p>lobby intensively at all levels for additional funds</p>	
		<p>make use of EU cohesion and other funds for regional and urban PT</p>	<p>make transparent the (low) share of EU funds that are being used for regional and/or urban PT</p>
<p>make use of IFI loans</p>			