

# **Challenges relating to Market Organisation – Examples for practical solutions in VVO**

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(Hungary)

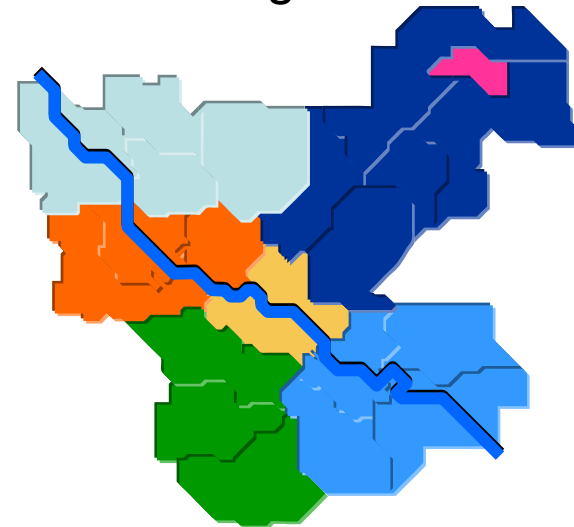
Lutz Auerbach, Verkehrsverbund Oberelbe GmbH (VVO), Dresden (Germany)

## Key challenges

- Decreasing public resources for public transport and lack of funds to finance investments and operation
- Low integration of PT in overall mobility and transport planning
- Low integration between local and regional (and national) transport networks and services
- Missing integrated tariff and fare systems
- Low implementation of division between buyer/authority and operator
- Low co-operation between PT companies
- Few incentives for PT operators to cut costs and increase revenues
- Low implementation of monitoring quality and performance
- Low contribution to cost coverage by fare revenues → pricing

## Low integration of PT in overall mobility and transport planning

- Based on the Saxon law Verkehrsverbund Oberelbe (VVO) develops a General Public Transport Plan (Nahverkehrsplan) every 5 years
- General Public Transport Plan of VVO covers a region of 4.800 km<sup>2</sup> with 1,2 Mio. inhabitants and
  - 3 rapid transit railway lines (S-Bahn)
  - 21 regional railway lines
  - 2 narrow gauge railways
  - 208 regional bus lines
  - 66 urban bus lines
  - 13 tram lines in the city of Dresden
  - 19 ferries crossing the river Elbe
- General Public Transport Plan defines the transport standards for more than 194 Mio. passengers yearly



## Low integration of PT in overall mobility and transport planning

- General Public Transport plan ...

... origin and basis for all further regional detail planning

- Integrated organisation and definition of Public Transport (PT)
- Saving of PT service levels
- Efficient adjustment of all the several transport modes
- Setting of general quality standards for the whole PT



## Low integration of PT in overall mobility and transport planning

General planning approach for an integrated PT in VVO-area:

**Regional railway**

speedy regional connections

**Tramway**

to move high numbers of passengers within conurbations

**Bus**

area services to feed railbound services

**Problem:**

Low integration of PT in overall mobility and transport planning

**Solution  
(1<sup>st</sup> step):**

General Public Transport Plan for a specified region

- All state, regional and local authorities not only those who are responsible for PT have to consider the

General Public Transport Plan  
 taking into account the **“Silver bullet”, not realised in VVO but recommendation for all European cities and regions**

**Solution  
(2<sup>nd</sup> step):**

Integration of General Public Transport Plan in an all embracing Plan which includes

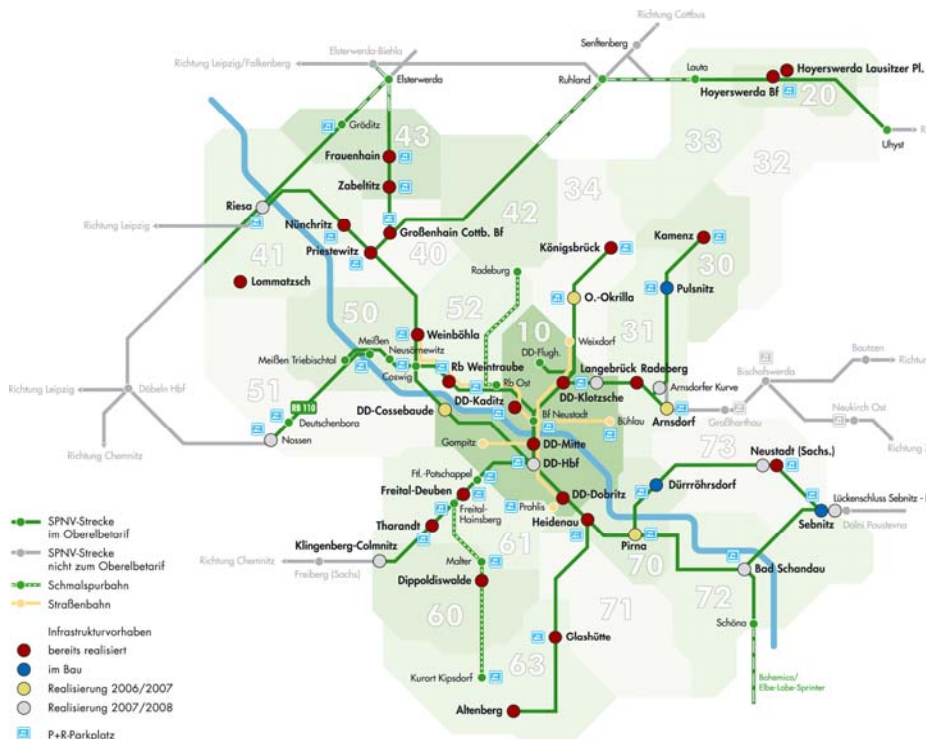
- Common urban and regional planning
- Transport planning for individual traffic
- PT Planning

## Low integration between local and regional transport networks and services

- Most of passengers for their trip use several transport modes → transport chain
- Beside an integrated tariff and fare system the PT network integration is essential
- Based on VVO General PT Transport Plan network integration was improved since 1998:
  - Reduction of parallel services (e.g. railway and bus)
  - Coordination of timetables, importance of assurance of connections between different transport modes increased
  - Implementation of interchanges

**Problem:** Low integration between local and regional transport networks and services

**Solution:** Improvement of network integration



## Missing integrated tariff and fare systems

- In view of mentioned transport chain integrated tariff and fare system is essential
- Different tariffs for particular transport modes are the most important access barrier to PT → customer survey
- With its implementation in 1998 VVO for the first time offered the costumers such an integrated tariff and fare system



One ticket for all trains, busses and trams in VVO-area

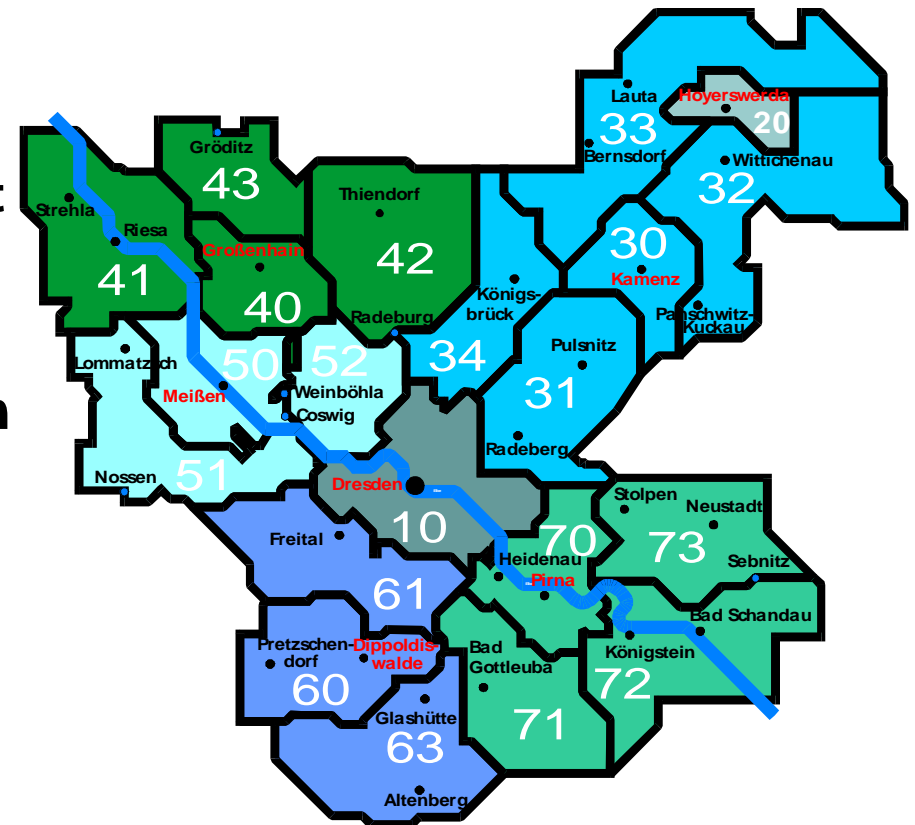
## Missing integrated tariff and fare systems

### Characteristics

- large fare zones
- harmonised ticket assortment
- harmonised rules and regulations
- distance to every central town no longer than 2 zones

### Advantages

- transparency and ease
- customer orientated
- easy handling for companies





**ensuring tradition...**



**...designing future**

**Thank you for your attention.**